

LAACERS

Comprehensive Annual Financial Report

for the year ended June 30, 1995



Los Angeles
City Employees'
Retirement System

Los Angeles, California

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INTRODUCTORY
SECTION

BOARD OF
ADMINISTRATION

WILLIAM H. DONENY, JR.
PRESIDENT
MICHAEL J. GALVIN
VICE PRESIDENT
JAN CHARLES GRAY
BEVERLY RYDER
SHELLEY I. SMITH
COMMISSIONERS

CITY OF LOS ANGELES
CALIFORNIA



RICHARD J. RIORDAN
MAYOR

CITY EMPLOYEES'
RETIREMENT SYSTEM
360 EAST SECOND STREET
8TH FLOOR
LOS ANGELES, CA 90012

OSCAR PETERS
GENERAL MANAGER
(213) 485-2824

LETTER OF TRANSMITTAL

June 30, 1995

The Honorable Richard J. Riordan, Mayor
and
Honorable Members of the City Council

The Board of Administration is pleased to submit the Annual Financial Report of the Los Angeles City Employees' Retirement System (LACERS) for the year ended June 30, 1995. The report contains financial statements that have been prepared in accordance with generally accepted accounting principles and reporting guidelines prescribed for governmental entities. It provides a comprehensive overview of LACERS's financial position and operating results. These statements have been audited by Quezada Godsey, independent certified public accountants.

The financial report consists of four sections: 1) The Introductory Section, which contains this Letter of Transmittal, along with the identification of the administrative organization and the professional services utilized by LACERS; 2) The Financial Section, which contains the opinion letter of the independent certified public accountants and the financial statements; 3) The Actuarial Section, which contains the opinion letter of the independent actuary and the results of the actuarial valuation; 4) The Statistical Section, which contains detailed information pertaining to LACERS's operations; AND 5) The Investments Section, which lists the assets of The Fund.

The Fund assets continue to grow, investment performance is good, and member service levels continue to improve.

However, it should be noted that the investment performance of all asset classes has been above historical norms. It is likely that investment returns for the remainder of the decade will more closely reflect historical norms than the investment performance of the last year when unprecedented real rates of return were achieved. This comes at a time when retirement liabilities are maturing and the ability of the City to sustain sponsor contributions is becoming more difficult.

LACERS AND ITS SERVICES

Article XXXIV of the City Charter established the City Employees' Retirement System on July 1, 1937.

LACERS is governed by the California Constitution, the City Charter and Administrative Code, and the resolutions, procedures, and policies adopted by the Board of Administration. The City Council may adopt ordinances which change the benefits provided by the System.

LACERS 1995 Annual Report
Letter of Transmittal

The management of LACERS is the responsibility of the Board of Administration. The Board is responsible for setting forth investment strategies, policies, and objectives for the employees' retirement fund.

The Board is currently composed of five members; three appointed by the Mayor and two employee members elected by the active members of the System. During the coming year the Board will expand to seven members with the addition of another appointed member and a retired member elected by the retirees. All members serve five-year terms.

LACERS provides retirement, disability, and death benefits to all full-time, permanent civilian employees of the City excluding employees of the Department of Water and Power.

LACERS collects, deposits, invests, and manages retirement trust funds solely in the interest of, and for the exclusive purposes of providing benefits to participants and their beneficiaries and minimizing employer contributions; acts as a fiduciary agent for the accounting and control of member and employer contributions and investment income.

INTERNAL ACCOUNTING AND BUDGETARY CONTROLS

LACERS utilizes a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use and disposition and to provide reliable records for preparing financial statements and maintaining accountability for the assets. All internal accounting control evaluations occur within the above framework.

Application of generally accepted governmental budgetary controls assure effective budgetary control and accountability.

Los Angeles City Employees' Retirement System
Balance Sheets
June 30
(in thousands)

Assets	<u>1995</u>	<u>1994</u>
Receivables:		
Accrued interest and dividends	\$ 30,552	\$ 27,061
Proceeds from sales of investments	36,401	40,820
Other receivables	9,579	3,966
<i>Total Receivables</i>	<u>76,532</u>	<u>71,847</u>
Investments:		
Temporary	426,629	414,008
Bonds	1,247,174	1,227,105
Common Stocks	2,210,427	2,047,251
Real Estate	120,991	116,853
<i>Total Investments</i>	<u>4,005,221</u>	<u>3,805,217</u>
Cash	1	69
Total Assets	\$ 4,081,754	\$ 3,877,133

Los Angeles City Employees' Retirement System
Balance Sheets (Cont'd)

Liabilities and Fund Balances

Liabilities:

Accounts payable and accrued expenses	\$ 4,635	\$ 3,294
Purchases of investments	127,934	105,233
<i>Total Liabilities</i>	132,569	108,527

Fund Balances:

Member contributions	604,261	562,078
City contributions	3,080,652	2,960,901
Family death benefits	18,855	18,133
Health insurance benefits	245,417	227,494
<i>Total Fund Balances</i>	3,949,185	3,768,606

Total Liabilities and Fund Balances	\$ 4,081,754	\$ 3,877,133
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Los Angeles City Employees' Retirement System
Statement of Revenues and Expenses

Year Ended [\$,000]

	<u>June 30, 1995</u>	<u>June 30, 1994</u>
REVENUES		
Member Contributions	\$ 43,570	\$ 42,290
City Contribution	<u>144,562</u>	<u>173,632</u>
Total Contributions	188,132	215,922
Investment Income	176,940	170,254
Capital Gains - net	55,353	167,140
Less: Investment Expenses	<u>(7,754)</u>	<u>(8,249)</u>
Net investment income	<u>224,539</u>	<u>329,145</u>
TOTAL REVENUES	412,671	545,067
EXPENSES		
Allowance Expenditures	200,025	188,480
Health Insurance Benefits	21,829	22,176
Other Expenses	<u>10,145</u>	<u>11,363</u>
TOTAL EXPENSES	<u>231,999</u>	<u>222,019</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 180,672	\$ 323,048

ACTUARIAL REQUIREMENTS

For purposes of determining contribution rates for members and employers and determining the System's funding status, LACERS uses an independent actuarial firm to conduct a triennial actuarial valuation and investigation. The last such investigation and valuation was performed using the projected unit cost method as of June 30, 1995.

For purposes of disclosure as required by Statement 5 of the Governmental Accounting Standards Board (GASB), LACERS engages an independent actuary to perform an annual actuarial valuation in conformance with GASB methodology. The latest such valuation was reported using the projected unit credit method as of June 30, 1995.

EMPLOYER CONTRIBUTIONS

The City Charter requires that the City annually contribute required contributions to fund the normal cost of benefits and to eliminate the unfunded liability.

ECONOMIC OVERVIEW

The market value of assets increased from \$3.9 billion to \$4.5 billion during FY1994-95.

LACERS's investment income is the net result of realized gains/losses reduced by unrealized losses when an equity asset class sustains a loss. The realized gains/losses of an investment portfolio are determined by the yield, appreciation, and turnover of securities. Several events are expected in the fiscal year ending June 30, 1996, which should lead to improved investment income.

For the quarter ending September 30, 1995, the domestic and international equity markets are ahead of fiscal year 1994-95. It is likely that domestic equities will outperform last year's returns, assuming that corporate earnings stabilize and that signs of an economic recovery are present. The current fiscal year could provide exceptional performance overseas.

Some of LACERS's fixed income managers were positioned to take advantage of lower interest rates early this year, and these portfolios have now benefited from a substantial drop in interest rates during the last six months. These managers will be repositioning their portfolios to reflect future interest rate expectations, and this should lead to an increase in turnover, resulting in some substantial gains in the fixed income portfolios.

Request For Proposal (RFP) searches that had been started during the prior year were concluded in FY94-95 for short duration bonds index manager (Lincoln Capital), active manager of global bonds (Morgan Grenfell), and real estate consultant (Townsend).

Investment management contracts were renewed for master custody and securities lending (Northern Trust), active manager of domestic core bonds (Lincoln Capital), active manager of domestic large cap value equities (Loomis Sayles), active manager of domestic large cap growth equities (Chancellor Capital Management), active manager of UK-European equities (Baillie Gifford), and active manager of Pacific Basin equities (Templeton).

LACERS 1995 Annual Report
Letter of Transmittal

The Board considered implementing a currency overlay program for the non-U.S. equities component of the portfolio but concluded that the risk/return benefits were not sufficient to justify such a program at this time.

During the year, the active manager of domestic small cap value equities (Ariel) was terminated because of poor investment performance. The active manager of domestic small-mid cap growth equities (Galleon Capital) abandoned the portfolio under advice from the SEC. Under advice from the real estate consultant, the Board listed for sale with a clearinghouse its shares in the O'Connor Retail Property Trust fund.

A planning seminar was held on January 19-20, 1995 to review the fund's actuarial status, real estate and alternative investments opportunities, the fund's investment history, a draft investment policy, and the asset allocation structure.

The Board's asset allocation discussions resulted in plans for active manager of domestic small cap value equities; active manager of Pacific Basin equities; active manager of emerging markets equities; currency overlay manager; and alternative investment consultant searches. In addition, the long term target allocation to domestic equities was reduced from 46% to 43%, allocating 3% of the portfolio to alternative investments. Searches were begun for active managers of domestic small cap value equities and for alternative investment consultant.

The investment portfolio's actual asset mix as of June 30, 1995 was as follows:

<u>Asset Type</u>	<u>Percentage of Portfolio</u>
Domestic Stocks	45.3
International Stocks	19.0
Domestic Bonds	26.3
Global Bonds	4.9
Short Term Investments	2.0
Real Estate	2.5

Total Fund Rates of Return (net of fees)

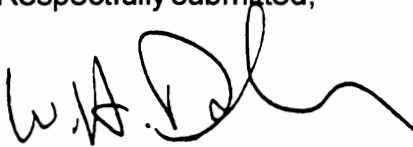
<u>Fiscal Year</u>	<u>Rate of Return (%)</u>	<u>CPI (%)</u>
1994-95	14.8	2.9
1993-94	2.5	2.5
1992-93	13.0	3.0
1991-92	12.2	3.1
1990-91	7.8	4.7
1989-90	9.4	4.7
1988-89	16.0	5.2

OTHER DEVELOPMENTS

A department-wide Local Area Network with access to the City's mainframe computer was put into place during the fiscal year. Office automation was increased by the decision to adopt Windows for Workgroups and Microsoft Office software. Using imaging technology, all member files were scanned into the computer for online access by department staff. During 1995 an RFI was completed for a Comprehensive Retirement Management System. Six vendors were selected and invited to participate in the RFP process. Applications were created for retirement and disability counselors to automate some of their operations. An ongoing series of classes conducted by the LACERS Systems Analyst has been well received and has increased the overall computer knowledge and proficiency of Department staff.

In 1995 the Employee Benefits Section began the task of converting all paper documentation into computer images via its new optical imaging systems. This major task continues.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W.A. Doheny, Jr.", with a stylized flourish at the end.

BOARD OF ADMINISTRATION
William Doheny, Jr., President

City of Los Angeles Elected Officials

RICHARD J. RIORDAN

Mayor

JAMES KENNETH HAHN

City Attorney

RICK TUTTLE

City Controller

Los Angeles City Council

Mike Hernandez

First District

Joel Wachs

Second District

Laura Chick

Third District

John Ferraro,

President

Fourth District

Mike Feuer

Fifth District

Ruth Galanter

Sixth District

Richard Alarcon

Seventh District

Mark Ridley-Thomas

Eighth District

Rita Walters

Ninth District

Nate Holden

Tenth District

Marvin Braude

President Pro Tempore

Eleventh District

Hal Bernson

Twelfth District

Jackie Goldberg

Thirteenth District

Richard Alatorre,

Fourteenth District

Rudy Svorinich, Jr.

Fifteenth District

Board of Administration Los Angeles City Employees' Retirement System

William H. Doheny, Jr.,

President

Michael J. Galvin,

Vice President

Jan Charles Gray,

Commissioner

Beverly Ryder,

Commissioner

Shelley I. Smith,

Commissioner

Consulting Services

ACTUARY

Watson Wyatt Worldwide
Sherman Oaks, California

AUDITOR

Quezada Godsey & Company
El Monte, California

CUSTODIAN

The Northern Trust Company
Chicago, Illinois

DATA PROCESSING

Law Cypress Distributing Co
San Jose, California

Pension Benefit Information
Tiburon, California

INVESTMENT CONSULTANTS

Asset Strategy Consulting
Los Angeles, California

The Townsend Group
Cleveland, Ohio

Pathway Capital Management
Irvine, California

INVESTMENT ADVISORS

EQUITY - DOMESTIC

Wells Fargo Nikko Investment Adv
San Francisco, California

Chancellor Capital Management, Inc
New York, New York

Fiduciary Trust International
New York, New York

Loomis Sayles & Company, Inc.
Pasadena, California

Rhumblin Advisers
Boston, Massachusetts

Valenzuela Capital Management, Inc.
New York, New York

EQUITY - INTERNATIONAL

Baillie Gifford Overseas Ltd
Edinburgh EH3 8EY, Scotland

State Street Global Advisors
Boston, Massachusetts

Templeton International
Fort Lauderdale, Florida

Morgan Stanley Asset Management
New York, New York

FIXED INCOME - DOMESTIC

WR Lazard & Company
New York, New York

Lincoln Capital Management Co.
Chicago, Illinois

Loomis Sayles & Company, Inc.
San Francisco, California

Smith, Graham & Company
Houston, Texas

INTERNATIONAL FIXED INCOME

Morgan Grenfell Investment Svcs Ltd
New York, New York

CASH & SHORT-TERM

Managed In-House

REAL ESTATE

Aldrich, Eastman & Waltch, Inc
AEW
Boston, Massachusetts

La Salle Advisors, Ltd
Chicago, Illinois

The L&B Group
L&B Real Estate Counsel
Dallas, Texas

The O'Connor Group
New York, New York

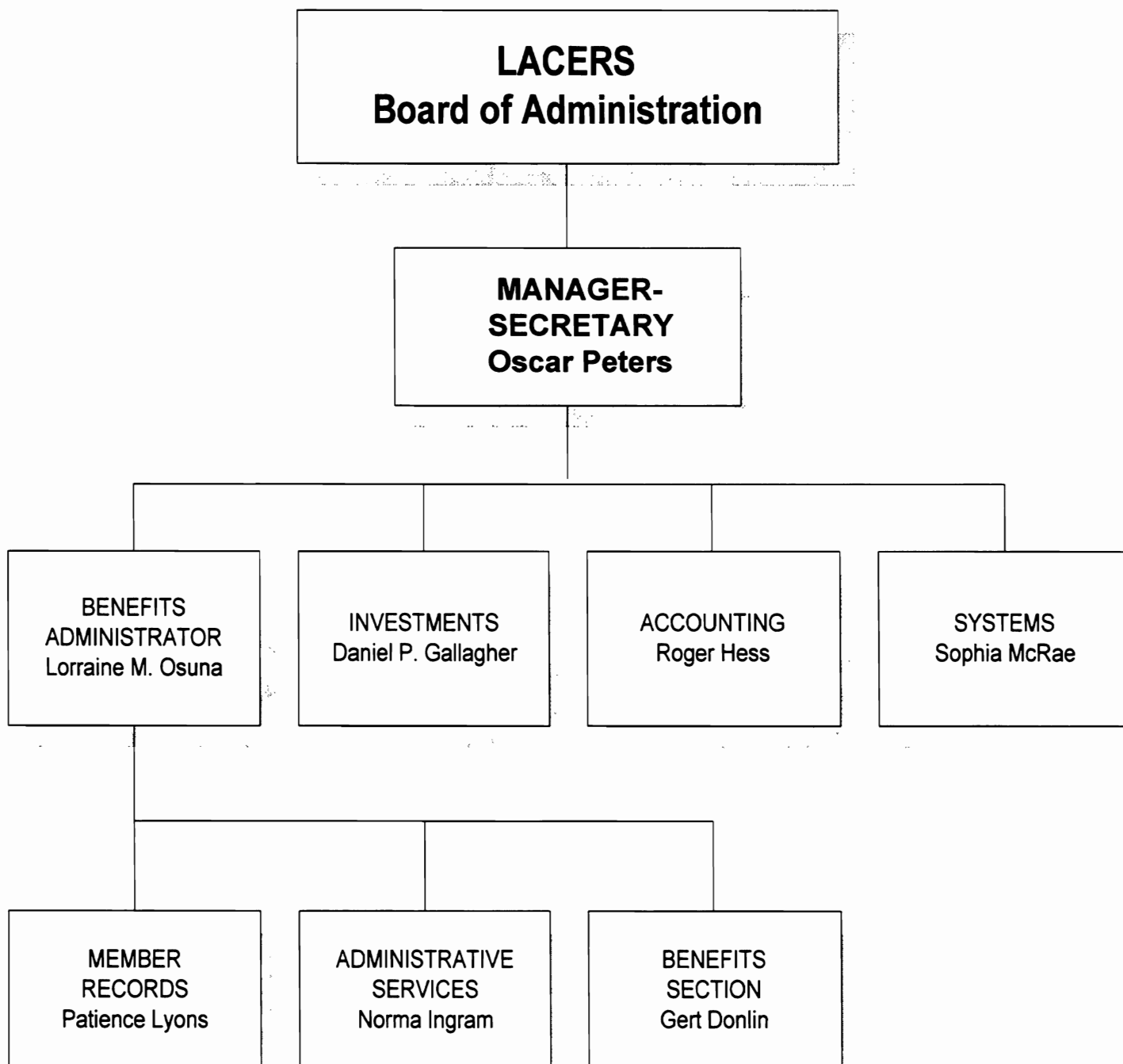
RREEF Funds
San Francisco, California

TA Associates Realty
Boston, Massachusetts

TCW Realty Advisors
Los Angeles, California

CB Commercial Real Estate
Group, Inc.
Los Angeles, California

Organization Chart



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FINANCIAL SECTION

Financial Statements
and Supplementary
Information



Flair Commerce Center
9420 Telstar Avenue, Suite A-101
El Monte, California 91731-2906
(818) 443-2881 • Fax: (818) 443-7426

Honorable Members of the City Council of
the City of Los Angeles, California, and

Board of Administration
Los Angeles City Employees' Retirement System
Los Angeles, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying balance sheets of the Los Angeles City Employees' Retirement System (the System) as of June 30, 1995 and 1994 and the related statements of revenues, expenses and changes in fund balances for the years then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Los Angeles City Employees' Retirement System as of June 30, 1995 and 1994, and the results of its operations for the years then ended in conformity with generally accepted accounting principles.

El Monte, California
October 17, 1995

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
BALANCE SHEETS
June 30
(in thousands)

Assets	<u>1995</u>	<u>1994</u>
Receivables:		
Accrued interest and dividends	\$ 30,552	\$ 27,061
Proceeds from sales of investments	36,401	40,820
Other receivables	9,579	3,966
<i>Total Receivables</i>	<u>76,532</u>	<u>71,847</u>
Investments:		
Temporary	426,629	414,008
Bonds	1,247,174	1,227,105
Common Stocks	2,210,427	2,047,251
Real Estate	120,991	116,853
<i>Total Investments</i>	<u>4,005,221</u>	<u>3,805,217</u>
Cash	1	69
Total Assets	\$ <u>4,081,754</u>	\$ <u>3,877,133</u>
<i>Liabilities and Fund Balances</i>		
Liabilities:		
Accounts payable and accrued expenses	\$ 4,635	\$ 3,294
Purchases of investments	127,934	105,233
<i>Total Liabilities</i>	<u>132,569</u>	<u>108,527</u>
Fund Balances:		
Member contributions	604,261	562,078
City contributions	3,080,652	2,960,901
Family death benefits	18,855	18,133
Health insurance benefits	245,417	227,494
<i>Total Fund Balances</i>	<u>3,949,185</u>	<u>3,768,606</u>
Total Liabilities and Fund Balances	\$ <u>4,081,754</u>	\$ <u>3,877,133</u>

The notes are an integral part of these financial statements

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 1995 and 1994
(in thousands)

	<u>Member Contributions</u>	<u>City Contributions</u>	<u>Family Death Benefits</u>	<u>Health Insurance Benefits</u>	<u>Year Ended June 30, 1995</u>	<u>Year Ended June 30, 1994</u>
Revenues						
Member Contributions	\$ 43,570	\$ -	\$ -	\$ -	\$ 43,570	\$ 42,990
City Contributions	-	114,130	367	29,065	144,562	173,632
Investment Income	26,455	194,304	847	10,687	232,293	337,394
	<u>70,025</u>	<u>309,434</u>	<u>1,213</u>	<u>39,752</u>	<u>420,425</u>	<u>553,516</u>
Expenses						
Allowance expenditures	-	199,533	492	-	200,025	188,480
Refund of contributions	7,211	531	-	-	7,742	8,543
Administrative expenses	-	10,157	-	-	10,157	11,069
Health insurance benefits	-	-	-	21,829	21,829	22,176
	<u>7,211</u>	<u>210,221</u>	<u>492</u>	<u>21,829</u>	<u>239,753</u>	<u>230,268</u>
Other Changes in Fund Balances						
Annuities awarded	(20,538)	20,538	-	-	-	-
Other	(93)	-	-	-	(93)	-
	<u>(20,631)</u>	<u>20,538</u>	<u>-</u>	<u>-</u>	<u>(93)</u>	<u>-</u>
Net Changes in Fund Balances	<u>42,183</u>	<u>119,751</u>	<u>722</u>	<u>17,923</u>	<u>180,579</u>	<u>323,048</u>
Balances, Beginning of Year	<u>562,078</u>	<u>2,960,901</u>	<u>18,133</u>	<u>227,494</u>	<u>3,768,606</u>	<u>3,445,558</u>
Balances, End of Year	\$ <u>604,261</u>	\$ <u>3,080,652</u>	\$ <u>18,855</u>	\$ <u>245,417</u>	\$ <u>3,949,185</u>	\$ <u>3,768,606</u>

The notes are an integral part of these financial statements

Note A - Summary Of Significant Accounting Policies

Reporting Entity

The Los Angeles City Employees' Retirement System (the System) is under the exclusive management and control of the Board of Administration whose authority is granted by the Los Angeles City Charter (Article XXXIV). The System is an independent department of the City of Los Angeles. The System's financial statements are included in the City of Los Angeles' Annual Financial Report as a retirement trust fund. The System covers all personnel of City departments included in the City's regular operating budget except for certain sworn employees of the Fire and Police departments. The System also covers the employees of the departments of Airports and Harbor.

Reporting Method

The financial statements are maintained on the accrual basis of accounting and the System follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board (GASB), authoritative status of the National Council on Governmental Accounting and AICPA industry audit guide Audits of Employee Benefit Plans, as revised May 1, 1993.

Investments

Funds are invested pursuant to the Los Angeles City Charter and the System's investment policy established by the Board. The System's investment portfolios are comprised of domestic and international equities, domestic bonds, real estate investment funds and temporary investments that include obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1, bankers' acceptances, repurchase agreements, and the short-term investment fund managed by the System's custodian bank.

Investments in debt and equity securities are carried at the lower of average cost or market. Temporary investments are carried at cost which approximates market value. Real estate investments are recorded in the financial statements under the equity method. Management's investment strategy as it relates to the bond portfolio is to achieve market appreciation and not hold bonds to their maturities, therefore bonds are not amortized. This investment strategy has been consistent during the past several years and management does not foresee a major shift in the strategy.

The System's custodian is the source of market values for all liquid investments. The market values of real estate investment funds are provided by the individual real estate fund managers and are evaluated by the Board's real estate consultant. The values for real estate investments are generally stated from reports of the investment funds available as of December 31 of the fiscal year.

The Los Angeles City Charter provides that earnings from investments, exclusive of capital gains or losses on investments, shall be credited to member reserve accounts and to City reserve accounts in relation to the reserve balances. Realized capital gains and losses on investments are credited solely to the City's reserves.

Unsettled investment trades as of year end are reported in the financial statements on an accrual basis. The corresponding proceeds due from sales are reported on the balance sheets as receivables and labeled proceeds from sales of investments, and amounts payable for purchases are reported as payables and labeled purchases of investments.

Fixed Assets

The fair value of fixed assets is estimated at \$400,000 consisting mostly of furniture and computer equipment. Purchases of fixed assets are recorded as expenditures in the year acquired.

Reserves

As provided in the Los Angeles City Charter, the System is maintained on a reserve basis, determined in accordance with accepted actuarial methods. The City Charter establishes reserves for the following:

Member Contributions - Active member contributions to the plan and investment earnings distributions credited to members' accounts, less refunds of members' contributions and transfers to the Annuity and Cost-of-Living Reserves.

City Contributions - Consists of the following components:

Basic Pensions - City contributions, investment earnings distributions, capital gains accumulated to provide for the City's guaranteed portion of retirement benefits.

Annuity - Member contributions transferred to the City and used to provide for the members' share of retirement benefits and investment earnings distributions, less payments to retired members.

Cost-of-Living - Member and City contributions required to provide anticipated annual cost-of-living increases for retirement allowances.

Family Death Benefits - Member contributions and matching City contributions and investment earnings distributions reserved to pay benefits under the Family Death Benefits Insurance Plan established by the System.

Health Insurance Benefits - City Contributions and investment earnings distributions reserved on an actuarial basis to provide health subsidies for retirees.

Note B - Plan Description

The System operates as a single-employer defined benefit plan. The City of Los Angeles and eligible employees contribute to the System based upon rates recommended by an independent actuary and adopted by the Board of Administration. Contributions are invested and applied to benefit payments with accumulated investment earnings.

The System's funding policy provides for periodic employer contributions at actuarial determined rates that, expressed as percentages of annual covered payroll together with certain fixed amounts, are sufficient to accumulate the required assets to pay benefits when due. For the year ended June 30, 1995, the System's actuary recommended the rate of 14.46% (including health benefits) as the City's contribution to the plan. The recommended rate for the year ended June 30, 1994 was 16.33% (including health benefits). Members who entered the System prior to February, 1983 contribute from 8.64% to 12.94% of their salaries based upon the age they entered the System, however contributions are subsidized by the City under a collective bargaining agreement (see Note G - Defrayal of Portion of Member Contributions). Members entering subsequent to February, 1983 contribute a flat rate of 6%. Members of the plan have a vested right to their own contributions and accumulated investment earnings. After five years of employment, members are eligible for future retirement benefits, which increase with length of service. If a member with five or more years of service terminates employment, the member has the option of receiving retirement benefits when eligible or withdrawing from the System and having his or her contributions and accumulated investment earnings refunded. Benefits are based upon age, length of service, and compensation.

Note C - Actuarial Valuation And Update For Purposes Of Uniform Disclosure

For purposes of uniform disclosure as required by Statement 5 of the Governmental Accounting Standards Board (GASB), the System engages an independent actuary to perform an annual actuarial valuation in conformance with GASB methodology. The latest such valuation was performed as of June 30, 1995 using the projected unit credit cost method as required by GASB, with an 8% interest earnings assumption, an annual salary increase assumption which varies by age, averaging 6% per year over a full 30 year career, and a 3% cost-of-living factor on retirement benefit payments (see Note D - Changes In Actuarial Assumptions & Revised Actuarial Valuation). The actuary also conducts a triennial investigation and actuarial valuation to examine noneconomic assumptions and determine the System's funding status.

Note D - Changes In Actuarial Assumptions & Revised Actuarial Valuation

Change in Salary Increase Assumption

The actuarial valuation for the year ended June 30, 1993 was revised as recommended by the actuary to reflect a change in the salary increase assumption. The new salary increase assumption is based on individual salary increases which vary by age, averaging 6% per year over a full 30 year career. Prior to the change, the salary increase assumption was 6% for all individuals. The effects of the change were to decrease the contribution for retirement benefits by 2.21% totaling \$20.2 million for the year ended June 30, 1995.

Change in Medical & Dental Trend Rates

A reduction in the medical and dental trend rates assumed for the valuation of health subsidy benefits as of June 30, 1995 (effective 1996-97) resulted in an estimated \$14.5 million reduction in health benefit liabilities.

Change In Valuation Methodology

Beginning with the actuarial valuation as of June 30, 1995 (effective 1996-97), the normal cost no longer includes a charge for administrative expenses. In prior valuations, the normal cost for retirement benefits included an amount to fund certain administrative expenses expected to be paid from System assets during the fiscal year. The change in methodology resulted in a 1.32% decrease in contributions as a percent of payroll. The decrease in contributions is estimated to equal \$13 million for fiscal year 1996-97, declining over a 15-year amortization period.

Note E - Funding Status And Progress

The amount shown below as Total Pension Benefit Obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the System on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other pension funds.

At June 30, 1995 and 1994, the unfunded pension benefit obligation was \$395.9 million and \$294.9 million, respectively as follows (amounts in thousands):

	<u>1995</u>	<u>1994</u>
Pension benefit obligation:		
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 2,229,230	\$ 2,157,536
Current employees:		
Accumulated employee contributions	604,261	562,078
Employer-financed vested	1,247,275	1,098,227
Total Pension Benefit Obligation	4,080,766	3,817,841
Net Assets Available for Benefits, at Cost (Average of Cost and Market is \$3,940,056 and \$3,629,724)	<u>3,684,913</u>	<u>3,522,979</u>
Unfunded Pension Benefit Obligation	\$ <u>395,853</u>	\$ <u>294,862</u>

For purposes of determining the funding requirements of the System, the actuarial valuation for net assets available for benefits is calculated using an average of cost and market value. For purposes of this report the net assets available for benefits is stated at cost which results in a different unfunded pension benefit obligation. The actuarial valuation for unfunded pension benefit obligation at June 30, 1995 and 1994 was \$140.7 million and \$188.1 million, respectively.

The City is currently actuarially funding retiree health insurance benefits for current retirees and for active members eligible for a retired health insurance subsidy. The liability is determined separately from the pension benefit obligation.

At June 30, 1995 and 1994, the unfunded health benefits insurance was \$195.2 million and \$245.6 million, respectively as follows (amounts in thousands):

	<u>1995</u>	<u>1994</u>
Health Benefits Liability:		
Retired Members	\$ 233,238	\$ 253,897
Active Members	207,391	219,200
Total Health Benefits Liability	440,629	473,097
Reserve for Health Benefits, at Cost (Average of Cost and Market is \$262,410 and \$234,387)	245,417	227,494
Unfunded Health Benefits Liability	\$ 195,212	\$ 245,603

The actuarial valuation for the unfunded health benefits insurance liability using the average cost and market for valuing the reserve for health benefits at June 30, 1995 and 1994 was \$178.2 million and \$238.7 million, respectively.

Note F - Contributions Required and Contributions Made

The System currently uses the Projected Unit Credit Cost Method to determine the required annual contribution amount. The required annual contribution amount is comprised of two components, 1) normal cost, which is the cost of the portion of the benefit that is earned each year, and 2) the payment to amortize the Unfunded Actuarial Accrued Liability (UAAL).

Most of the UAAL is amortized as a level percent of pay over the period ending June 30, 2004. Increases in the UAAL due to assumption changes are amortized over 30 years and gains and losses are amortized over 15 years, both as a level percent of pay. Plan amendments are amortized over 30 years as a level percent of pay, unless the characteristics of the amendment dictate a shorter amortization period. Smaller pieces of the UAAL are amortized as a level dollar amount over various periods.

Significant actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

The contributions to the System for the fiscal years ended June 30, 1995 and 1994 of \$188.1 million and \$215.9 million, respectively, were made in accordance with actuarial determined requirements computed through the above mentioned actuarial valuation.

Contributions to the System consisted of the following (in millions):

	1995		1994	
	<u>Amount</u>	<u>Percentage of current covered payroll</u>	<u>Amount</u>	<u>Percentage of current covered payroll</u>
Covered Payroll	\$ 911.3	100.00%	\$ 884.9	100.00%
Normal Cost	\$ 101.6	11.16%	\$ 125.8	14.22%
Amortization of the Unfunded Actuarial Accrued Liability	57.0	6.25%	59.8	6.76%
Contribution for Retired Health Insurance Benefits	29.1	3.19%	29.9	3.38%
Benefits Insurance Plan	.4	.04%	.4	.04%
Total	\$ 188.1	20.64%	\$ 215.9	24.40%
Total City Contribution	\$ 144.4	15.84%	\$ 173.6	19.62%
Employee Contribution	43.7	4.80%	42.3	4.78%
Total	\$ 188.1	20.64%	\$ 215.9	24.40%

Note G - Defrayal Of Portion Of Member Contributions

For members prior to February 1983, the City subsidizes a portion of member contributions under a collective bargaining agreement. Payments made by the City in this manner are not refundable to members upon their withdrawal from the plan prior to retirement. Therefore, the City does not have to contribute the total amount of member contributions that it subsidizes.

The amount payable by the City, based upon the actuarial valuations, was approximately 80% and 78% of subsidized member contributions for the years ended June 30, 1995 and 1994, respectively. The City contributed \$20.7 and \$20.9 million in this manner for the years ended June 30, 1995 and 1994, respectively.

Note H - Deposits And Investments

The System maintains all deposits and investments with its custodian. These deposits are categorized as follows, to give an indication of the level of risk assumed by the System at year end:

Category 1 - Includes deposits insured or collateralized with securities held by the System or by its agent in the System's name.

Category 2 - Includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the System's name.

Category 3 - Includes deposits uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the System's name.

Investments are categorized as follows, to give an indication of the level of risk assumed by the System at year end:

Category 1 - Includes investments insured or registered, or securities held by the System or its agent in the System's name.

Category 2 - Includes investments uninsured and unregistered, with securities held by the counterparty's trust department or agent in the System's name.

Category 3 - Includes investments uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the System's name.

At June 30, 1995 and 1994, the carrying amount and market value of deposits and investments were as follows (in thousands):

<u>Investment Type</u>	<u>1995</u>		<u>1994</u>	
	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Carrying Amount</u>	<u>Market Value</u>
Category 1				
Money Market:				
Certificates of Deposit	\$ 36,846	\$ 36,846	\$ -0-	\$ -0-
Commercial Paper	136,526	136,526	165,000	165,000
Bank Acceptance Notes	50,268	50,268	89,544	89,544
Discount Notes	35,644	35,644	10,845	10,845
Repurchase Agreements (Repos)	41,000	41,000	33,000	33,000
Total	300,284	300,284	298,389	298,389
Fixed Income: Domestic				
Corporate	181,769	187,942	264,674	253,037
US Gov't & Federal Agencies	783,112	803,058	832,788	808,470
Mortgage-backed Securities	115,274	117,976	81,747	80,099
Municipal Bonds	19,306	20,104	37,259	35,351
Other	15,237	15,123	8,879	8,885
Total	1,114,697	1,144,203	1,225,347	1,185,842
Fixed Income: Foreign				
Corporate	6,726	7,015	1,758	2,250
Government	125,751	133,515	-0-	-0-
Total	132,477	140,530	1,758	2,250
Stocks:				
Domestic	1,503,678	1,960,046	1,434,425	1,605,012
Foreign	706,749	759,705	613,096	670,499
	2,210,427	2,719,751	2,047,521	2,275,511
Total Category 1	<u>\$3,757,885</u>	<u>\$4,304,768</u>	<u>\$3,573,015</u>	<u>\$3,761,992</u>

Category 3**Money Market:**

International STIF	\$ 97,668	\$ 97,668	\$ 103,328	\$ 103,328
Collective STIF	13,545	13,545	6,235	6,235
Futures Initial Margin	15,132	15,132	6,056	6,056
Total Category 3	126,345	126,345	115,619	115,619

Investments Not Categorized

Real Estate Investment Funds	120,991	120,991	116,583	116,583
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Total Deposits & Investments	\$ 4,005,221	\$ 4,552,104	\$ 3,805,217	\$ 3,994,194
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Real estate investments are not considered securities for purposes of custodial risk classification. There were no Category 2 investments at June 30, 1995 and 1994.

Note I - Securities Lending Agreement

The System has entered into various short-term arrangements with its custodian whereby securities are loaned to various brokers. The custodian determines which lenders' accounts to lend securities from by using an impartial sequential system that matches loan requests with various lenders' accounts. All lenders are deemed to have relatively equal opportunity to profit from the lending of securities. Therefore, should a collateral deficiency occur beyond the custodian's responsibilities, the deficiency is allocated pro-rata among all lenders.

Minimum collateralization is 102% of market value of the borrowed U.S. securities and 105% in the case of international securities. Collateral consists of cash, government securities, and irrevocable bank letters of credit. Cash collateral may be invested separately or pooled in a separate fund for investing in quality money market or cash equivalent investments.

The borrower has all incidents of ownership with respect to borrowed securities and collateral including the right to vote and transfer or loan borrowed securities to others. The System is entitled to receive all distributions, which are made by the issuer of the borrowed securities, directly from the borrower. Under the agreement, the custodian will indemnify the System as a result of the following; 1) the custodian's failure to make a reasoned determination of the credit worthiness of a potential borrower, 2) the filing of a petition of bankruptcy or similar action by the borrower, 3) the custodian's failure to obtain adequate collateral, and 4) not operating the securities lending program in compliance with the Federal Financial Institutions Examination Council Supervisory Policy on Securities Lending.

These agreements provide for the return of the securities and for a payment of: a) a fee, when the collateral is marketable securities or irrevocable letters of credit or b) interest earned on cash collateral on deposit. The securities on loan to the brokers continue to be shown at their cost basis on the balance sheets.

The market value of securities lent was \$825.1 and \$609.5 million as of June 30, 1995 and 1994, respectively, and the collateralized value of cash and securities was \$846.2 and \$630.1 million, respectively. The System's pro rata share in the collateral pool was 5.3% and 4.2% as of June 30, 1995 and 1994, respectively.

Note J - Futures and Forward Contracts

To facilitate efficient management of the portfolios the System uses domestic and international index futures, bond futures and international currency forward contracts. The index and bond futures are used in managing the large index portfolios. These portfolios are passive investments used to maintain exposure to specific segments of the equity and bond markets consistent with the investment policy. The forward contracts are used to facilitate translation of dollars into the domestic currencies of the international markets and to protect the underlying value of foreign currency investments from strengthening of the dollar. The System maintains margin collateral on futures positions with its money managers, consisting of cash and U.S. Treasury Bills. Total collateral margin was \$15.1 million and \$6.0 million as of June 30, 1995 and 1994, respectively.

There was a realized gain on foreign currency translation of \$5.1 million and a realized loss on foreign currency translation of \$3.4 million for the years ended June 30, 1995 and 1994, respectively.

Note K - Real Estate Investment Portfolio

The carrying value of the real estate investment portfolio was reduced to market, which was lower than cost at June 30, 1995 and 1994 by \$2.6 and \$2.9 million, respectively. The carrying value of the real estate investment portfolio based on the equity method was \$121.0 million and \$116.6 million for the years ended June 30, 1995 and 1994, respectively.

Note L - Administrative Expenses

Administrative expenses of the System for the years ended June 30, 1995 and 1994 were as follows (in thousands):

	<u>1995</u>	<u>1994</u>
Investment Management Fees	\$ 5,557	\$ 5,884
Real Estate Management Fees	1,250	1,249
Contract Services	1,109	1,672
Salaries	1,621	1,555
Rent	457	451
Other Administrative Expenses	163	258
Total	<u>\$ 10,157</u>	<u>\$ 11,069</u>

Note M - Operating Lease

The System leases building facilities, furniture and equipment under a non-cancelable operating lease which expires in 1997, at which time a five year renewal option is available. This lease also contains provisions for the System to pay their pro-rated share of subsequent increases in operating costs and taxes over the base rate established during the initial year of the lease.

The future minimum commitment under the lease is as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Lease</u> <u>Amount</u>
1996	\$ 410,496
1997	410,496
Total	\$ 820,992

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FINANCIAL SECTION

Accountants' Report on
Supplementary
Information
Pursuant to GASB 5



Flair Commerce Center
9420 Telstar Avenue, Suite A-101
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Honorable Members of the City Council of
the City of Los Angeles, California, and

Board of Administration
Los Angeles City Employees' Retirement System
Los Angeles, California

**ACCOUNTANTS' REPORT ON SUPPLEMENTARY INFORMATION
PURSUANT TO GASB 5**

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the schedules on pages 23 through 24 is presented for purposes of additional analysis. It is not a required part of the basic financial statements, but is supplementary information required by Statement 5 of the Governmental Accounting Standards Board (GASB). Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements taken as a whole and, in our opinion, the schedules present fairly the information therein in conformity with the provisions of GASB Accounting.

El Monte, California
October 17, 1995

**COMPARATIVE SUMMARY OF NET ASSETS AVAILABLE FOR BENEFITS
AND TOTAL ACTUARIAL PRESENT VALUE OF
CREDITED PROJECTED BENEFITS
(in millions)**

Pension Benefit Obligation

<u>Fiscal Year</u>	<u>Net Assets Available for Benefits</u>	<u>Total Actuarial Present Value of Credited Projected Benefits</u>	<u>Percentage</u>
1986	\$ 1,653.8	\$ 2,361.7	70.0%
1987	1,923.4	2,535.8	75.8
1988	2,106.4	2,712.8	77.6
1989	2,175.8	2,934.9	74.1
1990	2,469.5	3,108.0	79.5
1991	2,683.8	3,312.0	81.0
1992	2,975.2	3,597.4	82.7
1993	3,218.8	3,634.2	88.6
1994	3,523.0	3,817.8	92.3
1995	3,684.9	4,080.8	90.3

Health Insurance Benefits Summary

<u>Fiscal Year</u>	<u>Net Assets Available for Benefits</u>	<u>Total Actuarial Health Insurance Benefits Liability</u>	<u>Percentage</u>
1989	\$ 146.7	\$ 235.6	62.3%
1990	158.7	403.9	39.3
1991	162.7	490.0	33.2
1992	188.8	500.7	37.7
1993	209.3	497.3	42.1
1994	227.5	473.1	48.1
1995	245.4	440.6	55.7

Note

As of June 30, 1987, the System began funding health insurance benefits for current retirees and for active members eligible to retire. As of June 30, 1989, a reserve was established for the health insurance benefits liability and \$146.7 million was transferred to the reserve from the City contributions, based on actuarial estimates. Beginning in fiscal year 1989, the pension benefit obligation and the health insurance benefits liability are separately stated. The schedule of the health insurance benefits liability above will be expanded through experience to the ten-year historical trend data required by GASB Statement 5, in conformance with GASB implementation guidelines.

**COMPARATIVE SUMMARY OF UNFUNDED ACTUARIAL PRESENT VALUE
OF CREDITED PROJECTED BENEFITS AND
ANNUAL ACTIVE MEMBER PAYROLL
(in millions)**

Pension Benefit Obligation

<u>Fiscal Year</u>	Unfunded Actuarial Present Value of Credited <u>Projected Payments</u>	Annual Active <u>Member Payroll</u>	<u>Percentage</u>
1986	\$ 736.5	\$ 621.9	118.4%
1987	614.7	646.0	95.2%
1988	613.9	718.0	85.5%
1989	745.8	752.9	99.1%
1990	639.2	815.8	78.4%
1991	628.2	833.1	75.4%
1992	622.3	915.3	68.0%
1993	415.4	898.1	46.3%
1994	294.9	884.9	33.3%
1995	395.9	911.3	43.4%

Health Insurance Benefits Liability

<u>Fiscal Year</u>	Total Health Insurance <u>Benefits Liability</u>	Annual Active <u>Member Payroll</u>	<u>Percentage</u>
1989	\$ 88.9	\$ 752.9	11.8%
1990	245.2	815.8	30.1%
1991	327.3	833.1	39.3%
1992	311.9	915.3	34.1%
1993	288.0	898.1	32.1%
1994	245.6	884.9	27.8%
1995	195.2	911.3	21.4%

Note To Comparative Summaries

Each time an employer entity adopts a higher level of benefits, additional actuarial liabilities are created. For the System, which receives actuarial determined contributions, these additional actuarial liabilities are financed systematically over a period of future years.

Looking at the dollar amount of the actuarial present value of credited projected benefits or the unfunded portion thereof can be misleading. Analysis of (i) the ratio of net assets available for benefits to the total actuarial present value of credited projected benefits, and (ii) the ratio of the unfunded actuarial present value of credited projected benefits to annual active member payroll, provides indexed values which facilitate understanding.

Analysis of these indexed values over a period of years will give an indication of whether the System is becoming financially stronger or weaker. The greater the ratio of net assets available for benefits to the total actuarial present value of credited projected benefits, the stronger the System. Similarly, the smaller the ratio of the unfunded actuarial present value of credited projected benefits to annual active member payroll, the stronger the System.

**COMPARATIVE SUMMARY OF ACTUARIAL VALUES
AND PERCENTAGE COVERED BY NET ASSETS AVAILABLE FOR BENEFITS
(in millions)**

<u>Fiscal Year</u>	<u>Member Contributions</u> (1)	<u>Current Retirees & Beneficiaries</u> (2)	<u>City-Financed Portion</u> (3)	<u>Net Assets Available For Benefits</u>	<u>Percentage of Actuarial Values Covered by Net Assets Available for Benefits</u>		
					(1)	(2)	(3)
1986	\$301.9	\$1,300.8	\$ 759.1	\$1,653.8	100.0	100.0	6.7
1987	323.5	1,420.2	758.4	1,923.4	100.0	100.0	23.7
1988	346.4	1,530.4	836.0	2,106.4	100.0	100.0	27.5
1989	377.7	1,558.5	998.7	2,175.8	100.0	100.0	24.0
1990	411.4	1,617.0	1,080.2	2,469.5	100.0	100.0	40.8
1991	450.8	1,729.6	1,131.6	2,683.8	100.0	100.0	44.5
1992	491.7	1,866.6	1,239.1	2,975.2	100.0	100.0	49.8
1993	528.6	2,029.2	1,076.3	3,218.8	100.0	100.0	61.4
1994	562.1	2,157.5	1,098.2	3,523.0	100.0	100.0	73.2
1995	604.3	2,229.2	1,247.3	3,684.9	100.0	100.0	68.3

Note

The ultimate test of financial soundness is the System's ability to pay all promised benefits when due. The System's progress in accumulating assets to pay all promised benefits can be measured by comparing the present assets with (1) member contributions, (2) the actuarial present value of projected benefits payable to current retirees and beneficiaries, and (3) the City-financed portion of the actuarial present value of credited projected benefits payable to active plan participants. For the System, which receives actuarial determined contribution amounts, the total of actuarial values (1) and (2) should generally be fully covered by assets, and the portion of the actuarial value (3) covered by assets should increase over time. An increase in benefits can, of course, adversely affect the trends in the years such increased benefits are first reflected in the actuarial values.

**COMPARATIVE SUMMARY OF ACTUARIAL VALUES
AND PERCENTAGE COVERED BY NET ASSETS AVAILABLE FOR BENEFITS
(in millions)**

REVENUES BY SOURCE

<u>Fiscal Year</u>	<u>Member Contributions</u>	<u>City Contributions</u>	<u>Investment Income</u>	<u>Subtotal</u>	<u>Gain (Loss) on Investments</u>	<u>Total</u>
1986	\$21.3	\$112.8	\$125.4	\$259.5	\$98.0	\$357.5
1987	24.9	120.6	130.8	276.3	123.9	400.2
1988	28.1	126.2	145.1	299.4	27.7	327.1
1989	32.6	134.0	162.4	329.0	55.7	384.7
1990	37.1	146.4	180.0	363.5	99.4	462.9
1991	41.8	151.3	193.5	386.6	19.6	406.2
1992	43.2	164.9	182.2	390.3	129.2	519.5
1993	42.7	170.6	164.3	377.6	101.5	479.1
1994	42.3	173.6	170.3	386.2	167.1	553.3
1995	43.6	144.6	176.9	365.1	55.4	420.5

EXPENDITURES BY TYPE

<u>Fiscal Year</u>	<u>Benefits</u>	<u>Refunds and Transfers</u>	<u>Administrative</u>	<u>Total</u>
1986	\$109.1	\$5.3	\$4.3	\$118.7
1987	119.0	5.6	5.2	129.8
1988	130.4	6.6	6.2	143.2
1989	141.5	6.6	5.9	154.0
1990	156.0	7.2	7.1	170.3
1991	170.3	8.6	8.2	187.1
1992	184.4	8.0	8.7	201.1
1993	197.0	6.9	10.3	214.2
1994	210.7	8.5	11.1	230.3
1995	221.9	7.7	10.2	239.8

**MEMBERSHIP DATA
JUNE 30, 1995 AND 1994**

At June 30, 1995 and 1994, the components of the System's membership were as follows:

	<u>1995</u>	<u>1994</u>
Active Nonvested	4,212	5,161
Active Vested	17,969	16,784
Terminated Vested	357	325
Total Active Members	22,538	22,270
Retired Members	11,962	11,894
Total Members	34,500	34,164

LAURELS

ACTUARIAL
SECTION



The Wyatt Company

Suite 700
15303 Ventura Boulevard
Sherman Oaks, CA 91403-3197
Telephone 818 906 2631
Fax 818 906 2097

December 5, 1995

Board of Administration
City Employees' Retirement System
360 East Second Street, 8th Floor
Los Angeles, California 90012

Members of the Board:

We are pleased to present this revision of the actuarial valuation report as of June 30, 1995 for the City Employees' Retirement System, originally published on October 17, 1995.

This revision reflects an updated market value of System assets, from \$4,458,509,000 to \$4,496,068,000.

This report is divided into three parts:

- A. Valuation Summary: This section contains an overview of significant valuation results.
- B. Valuation Detail: This section contains more detailed results of the valuation. Section I contains details of the retirement valuation. Section II contains details of the health subsidy valuation.
- C. Exhibits: This section contains information on plan demographics, plan provisions, and actuarial assumptions used in the valuation.

We appreciate the opportunity to serve the City of Los Angeles and the Board of Administration as actuary for the City Employees' Retirement System.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Sharon A. Peake'.

Sharon A. Peake, FSA
Consulting Actuary

A handwritten signature in cursive script, appearing to read 'Judy C. Ocaya'.

Judy C. Ocaya, FSA
Consulting Actuary

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Actuarial Valuation As Of June 30, 1995

Introduction

Officers and employees of the City of Los Angeles and their beneficiaries are entitled to retirement benefits (including disability and survivors' benefits) and health subsidy benefits under Article XXXIV of the Charter of the City of Los Angeles and by related ordinances. This retirement system is known as the City Employees' Retirement System.

This report contains the results of the June 30, 1995 valuation of both the retirement and health subsidy benefits of the Retirement System. It contains our calculations of the annual budget of the System, as provided in Section 506 of the Charter. It also contains the funded status and disclosure information as of June 30, 1995, required under Government Accounting Standards Board (GASB) Statement Number 5.

The valuation results were based on the demographic assumptions as outlined in Exhibits VI through IX and the following economic assumptions:

- 8.0% annual interest,
- 6.0% annual total payroll increases.
- Annual individual salary increases, which vary by age, averaging 6% per year over a full 30-year career.
- 3.0% annual increases in the Consumer Price Index.

There were no changes made in actuarial assumptions for this valuation, except for some reduction in the medical and dental trend rates assumed for the valuation of health subsidy benefits. The new assumptions are described in Exhibit VII.

While this change in assumed health cost trend rates had only a minor impact on System cost (a 3.3% reduction in health benefit liabilities), favorable experience in both assets and liabilities led to a significant reduction in the Unfunded Actuarial Accrued Liability and a material improvement in the funded status of health subsidy benefits.

In prior valuations, the normal cost for retirement benefits included an amount to fund certain administration expenses expected to be paid from System assets during the fiscal year. Beginning with this valuation, the normal cost no longer includes a charge for such expenses. This change in methodology resulted in a 20.7% decrease in the normal cost percentage, or a 1.32% decrease in contribution as a percent of payroll.

All other valuation methods remain unchanged since the last valuation.

We believe the assumptions and methods used are appropriate for use in the valuation of the liabilities of the Retirement System at June 30, 1995.

This Valuation Summary contains an overview of our valuation results. More detail on these results can be found in the Valuation Detail and Exhibit sections of this report.

A schedule containing all of the significant results of our valuation can be found on the next page.

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Summary of Significant Valuation Results

	<u>June 30, 1995</u>	<u>June 30, 1994</u>	<u>% Change</u>
I. Total Membership			
A. Active Members	22,538	22,270	+1.2%
B. Pensioners	11,962	11,894	+0.6%
II. Salaries at June 30			
A. Total Annual Payroll	\$911,292,385	\$884,950,676	+3.0%
B. Average Monthly Salary	\$3,369	\$3,311	+1.8%
III. Benefits to Current Pensioners and Beneficiaries			
A. Total Annual Benefits	\$205,047,801	\$196,438,501	+4.4%
B. Average Monthly Benefit Amount	\$1,429	\$1,376	+3.9%
IV. Total System Assets (Actuarial Value)	\$4,222,626,665	\$3,882,792,939	+8.8%
V. Unfunded Actuarial Accrued Liability			
A. Retirement Benefits	\$140,708,767	\$188,117,516	-25.2%
B. Health Subsidy Benefits	\$178,219,962	\$238,710,302	-25.3%
VI. Budget Items			
A. Retirement Benefits			
1. Normal Cost as a Percent of Pay	5.03%	6.58%	-23.6%
2. Amortization of Unfunded Actuarial Accrued Liability			
i) Percent of Pay, plus	5.67%	5.49%	+3.3%
ii) Fixed Dollar Amount	\$2,724,502	\$2,724,502	+0.0%
3. Total Retirement Contribution	10.70%	12.07%	-11.4%
B. Health Subsidy Contribution, as a Percent of Pay	2.49%	2.99%	-16.7%
C. Total Contribution (A+B)			
i) Percent of Pay, plus	13.19%	15.06%	+12.4%
ii) Fixed Dollar Amount	\$2,724,502	\$2,724,502	+0.0%
VII. Funded Ratio			
(Based on Actuarial Value of Assets)			
A. Retirement Benefits	96.6%	95.1%	+1.6%
B. Health Subsidy Benefits	59.6%	49.5%	+20.4%
C. Total	92.9%	90.1%	+3.1%

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

Budget Requirements

The Charter of the City of Los Angeles requires that budget amounts for the City Employees' Retirement System be determined annually. In determining these amounts, the System currently uses the Projected Unit Credit Cost Method. The required annual contribution is made up of two parts:

- The Normal Cost, or the cost of the portion of the benefit that is earned each year.
- The payment to amortize the Unfunded Actuarial Accrued Liability (UAAL). Most of the UAAL is amortized as a level percent of pay over the period ending June 30, 2004. Increases in the UAAL due to assumption changes are amortized over 30 years and gains and losses are amortized over 15 years, both as a level percent of pay. Plan amendments are amortized over 30 years as a level percent of pay, unless the characteristics of the amendment dictate a shorter amortization period. Smaller pieces of the UAAL are amortized as a level dollar amount over various periods.

Below, we present a summary of budget requirements for the City Employees' Retirement System. In total, the recommended contribution decreased by 12.4% from last year.

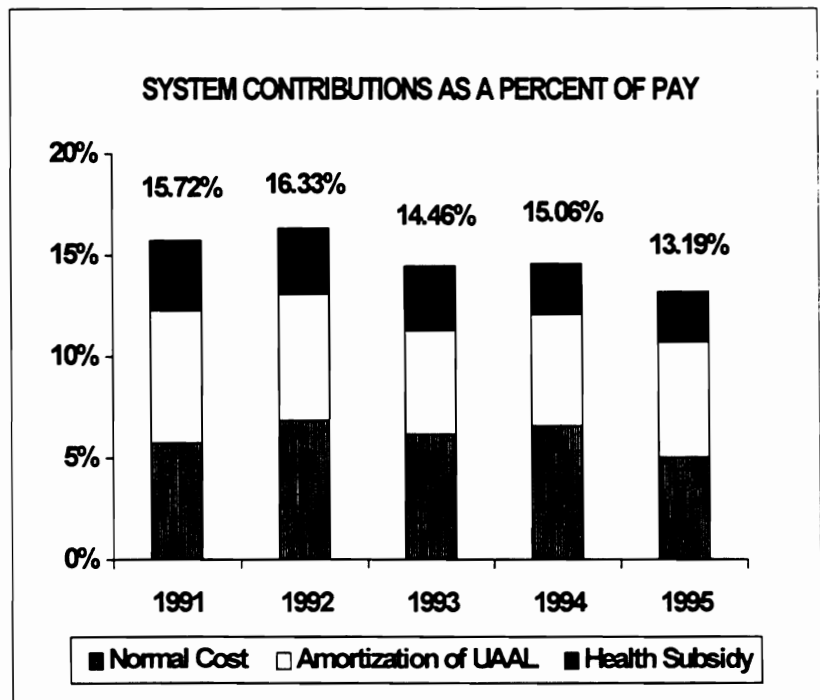
Recommended City Contributions For Fiscal Year 1996 - 1997

	<u>Percentage of Salary</u>		<u>Fixed Dollar Amount</u>
Contribution for Retirement, Disability, and Death Benefits	10.70%	plus	\$2,724,502
Contribution for Health Subsidy Benefits	2.49%		
Total Contribution	13.19%	plus	\$2,724,502

A more detailed explanation of these results can be found in the Valuation Detail section of this report.

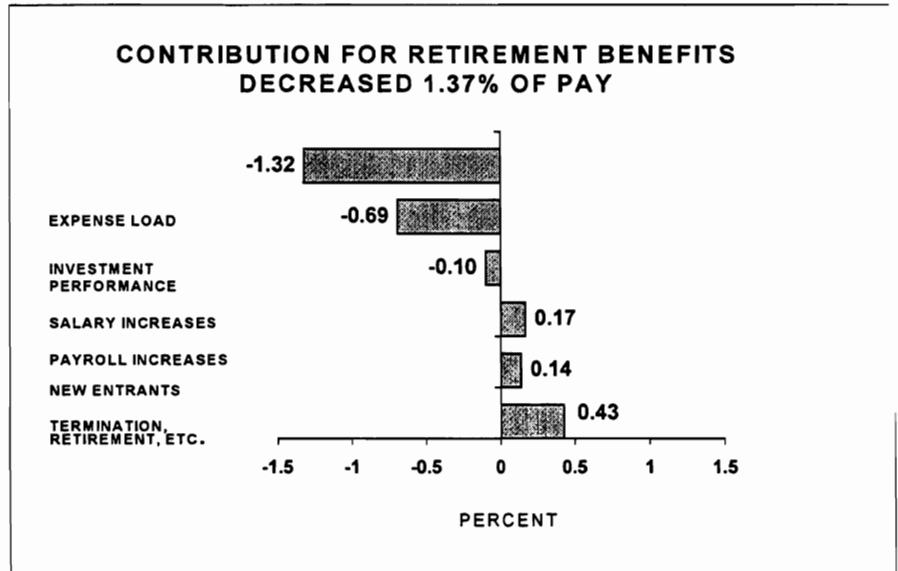
We also evaluated the one-year term cost for the Family Death Benefit Plan. Currently, Members and the City each contribute \$2.90 per month to participate in this Plan. Pending completion of a study of the funded status of this Plan, we recommend that Members and the City continue to contribute the current rate.

The graph on the right illustrates the funding levels of the past few years for both the retirement benefits and the health subsidy benefits. These percent-of-pay amounts do not include the small pieces of the UAAL being amortized as a level dollar amount.



The graph on the right illustrates the effect of gains and losses over the past year on the recommended System contribution for retirement benefits.

In the previous valuation, the contribution for retirement, disability, and death benefits included a cost of 1.36% of salary for certain administration expenses expected to be paid from plan assets. The normal cost no longer includes a charge for these expenses beginning with this valuation. If not for this change, the contribution rate would have included an additional 1.32% of salary.



Over the past year, there was a cost reduction of .10% of pay due to salary increases. This is the effect of individual salary increases being less than assumed. We have also shown a cost increase of 0.17% of pay due to total payroll increases being less than assumed. Here we are referring to changes in total System payroll, over which CERS' unfunded actuarial liability is amortized. When we spread payments to fund the UAAL over future years, we assume total payroll will increase by 6% every year. If payroll does not increase by 6% in any year, as it did not in 1994-1995, the UAAL must be spread over a smaller than assumed payroll base. This causes the percent of pay amount required to fund the UAAL to increase.

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

Funded Status At June 30, 1995

In order to assess the funded status of the System, disclosure of a standardized measure of pension liability is required by Government Accounting Standards Board (GASB) Statement No. 5 - Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers. This measure of funded status compares the present value of benefits accrued to June 30, 1995 to the value of accumulated plan assets. For retired Members and beneficiaries, the present value of remaining benefit payments is disclosed. For active Members, the present value of the benefits accrued to June 30, 1995 is disclosed. In the latter calculation, we calculate accrued benefits based upon service to June 30, 1995. We also recognize assumed future salary increases. GASB No. 5 covers only pension type benefits provided by public employee retirement systems.

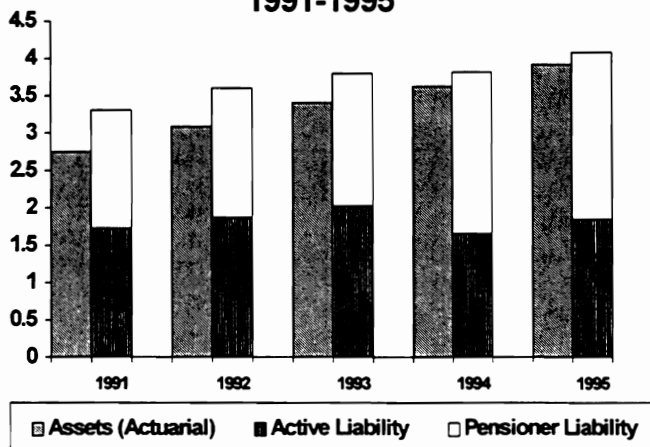
Under GASB Statement No. 12, Disclosure of Information on Post Employment Benefits Other Than Pensions by State and Local Government Employers, issued in November 1989, the expenditures and expenses for the period are the only financial information that needs to be disclosed for post-retirement health subsidy benefits. However, the statement encourages more complete disclosures of information, if available. Therefore, we have included a GASB No. 5 figure for the health subsidy benefits of the System in this report, as if GASB No. 5 applied to health subsidy benefits.

On the next page, we present the funded status of the System under GASB No. 5, along with a comparison of the System's funded status in the prior year. The current System assets available at actuarial value for retirement benefits are 176.7% of the present value of retirement benefits for current retired members and their beneficiaries. When the present value of accrued retirement benefits for active Members is added, the System assets available for retirement benefits at actuarial value represent 96.6% of the total present value of accrued retirement benefits on June 30, 1995.

Current health subsidy reserves at actuarial value are 112.5% of the present value of health subsidy benefits for current retired Members. When the present value of health subsidy benefits for active Members with ten or more years of service is added, the funded ratio becomes 59.6%. The funded status of the health subsidy benefits has significantly improved due to the combined effect of actuarial gains in both assets and liabilities.

The combined funded ratio for retirement and health subsidy benefits is 99.0% using the market value of assets and 92.9% using the actuarial value of assets.

**FUNDED STATUS
1991-1995**



The graph on the left compares assets to liabilities under GASB No. 5 for retirement benefits only, for the last five years. Assets exceed liabilities for pensioners, and are about 102.8% of total retirement liabilities using market value of assets and 96.6% of total retirement liabilities using actuarial value in 1995.

In late 1994, the Board also issued GASB Statement No. 25 - Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans effective June 15, 1996, and GASB Statement No. 26 - Financial Reporting for Post Employment Healthcare Plans Administered by Defined Benefit Pension Plans effective June 15, 1996. Although the required effective date for these statements is not until the next valuation, we have determined that the current valuation methods used for the System satisfy the standards established in these GASB statements.

Funded Status

	<u>June 30, 1995</u>	<u>June 30, 1994</u>	<u>% Change</u>
<u>Retirement Benefits</u>			
Present Value of Retirement Benefits Earned			
• Retired Members and Beneficiaries	\$2,229,229,915	\$2,157,536,256	+3.3%
• Active Members	<u>1,851,535,958</u>	<u>1,660,304,999</u>	+11.5%
• Total	\$4,080,765,873	\$3,817,841,255	+6.9%
Value of Assets Available for Retirement Benefits			
• Market	\$4,195,200,306	\$3,736,468,418	+12.3%
• Actuarial	\$3,940,057,106	\$3,629,723,739	+8.5%
Funded Ratio for Retirement Benefits			
• Market	102.8%	97.9%	+5.0%
• Actuarial	96.6%	95.1%	+1.6%
 <u>Health Subsidy Benefits</u>			
Present Value of Health Subsidy Benefits Earned			
• Retired Members	\$233,237,872	\$253,897,472	-8.1%
• Active Members With Ten or More Years of Service	207,391,476	219,199,771	-5.4%
• Total	\$440,629,348	\$473,097,243	-6.9%
Value of Assets Available for Health Subsidy Benefits			
• Market	\$279,402,025	\$241,279,906	+15.8%
• Actuarial	\$262,409,386	\$234,386,941	+12.0%
Funded Ratio for Health Subsidy Benefits			
• Market	63.4%	51.0%	+24.3%
• Actuarial	59.6%	49.5%	+20.4%
 Combined Retirement and Health Subsidy Funded Ratio			
• Market	99.0%	92.7%	+6.8%
• Actuarial	92.9%	90.1%	+3.1%

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

System Assets

The following asset information was provided to us by the Retirement Office. We have not audited or verified these figures.

	<u>June 30, 1995</u>	<u>June 30, 1994</u>	<u>% Change</u>
Total System Assets			
Market Value	\$4,496,068,000	\$3,996,980,000	+12.5%
Book Value	3,949,185,329	3,768,605,878	+4.8%
Actuarial Value	4,222,626,665	3,882,792,939	+8.8%

Rate of Return

July 1, 1994 - June 30, 1995

The rate of return on total plan assets was as follows:

Market Value	13.93%
Book Value	6.24%
Actuarial Value	10.20%

These rates of return were based on the following cash flow information:

Contributions	
City	\$144,384,788
Members	43,747,551
Pensions Paid	
Retirement Allowances	199,532,937
Family Death Benefits	492,103
Health Benefits	21,828,675
Refunds of Member Contributions	7,742,800
Administration Expenses	10,275,416
Investment Earnings	
Realized	232,319,043
Unrealized	318,508,549

The 10.20% rate of return on the actuarial value is greater than the 8.0% rate assumed for the prior year, which resulted in an actuarial gain. The budgeted contribution for the System would have been greater if not for this gain.

More detail on System assets can be found in the Exhibits section of this report.

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

Summary of System Funding

As of June 30, 1995, the System had assets at actuarial value equal to 92.9% of the present value of benefits accrued to that date, as calculated under GASB No. 5. When compared to the present value of all benefits expected to be paid by the System (including benefits expected to be earned in the future), assets equal 71.5% of liabilities. This remaining unfunded liability is to be funded by future City and Member contributions to the System.

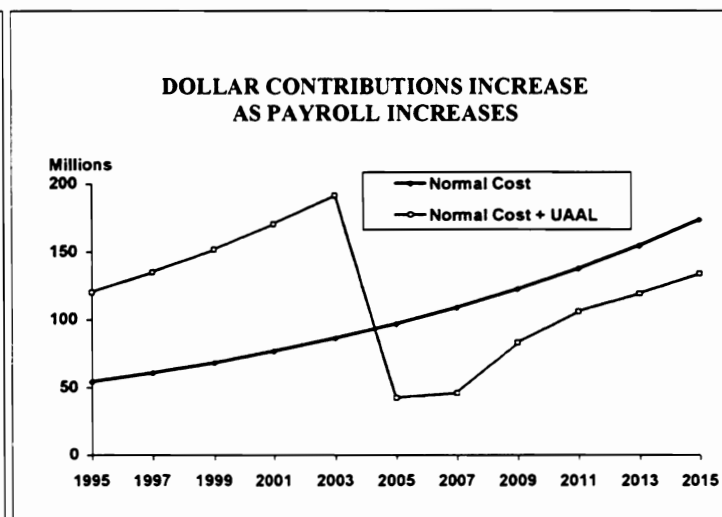
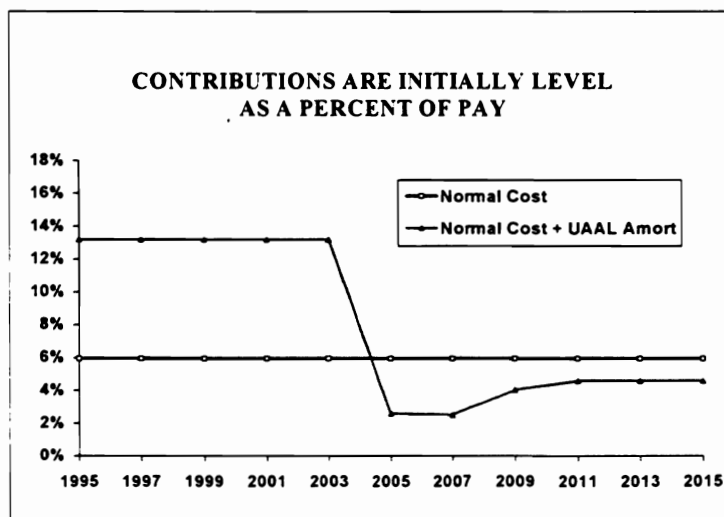
The City contributions are made up of two parts:

Normal Cost Contributions: These contributions are determined as the cost of the System benefits accruing each year. If all assumptions are realized and there are no gains or losses, this amount will remain unchanged as a percent of pay unless the average age of the population increases. In this case, contributions as a percent of pay will increase. The contributions will also increase as a dollar amount as total covered payroll increases.

Funding of Unfunded Actuarial Accrued Liability (UAAL): The UAAL represents liabilities accrued to date, that have not been funded by prior years' normal costs. Most of the UAAL is funded as a level percent of payroll until the year 2004. Increases in the UAAL due to assumption changes are amortized over 30 years and gains and losses are amortized over 15 years, both as a level percent of pay. Plan amendments are amortized over 30 years as a level percent of pay, unless the characteristics of the amendment dictate a shorter amortization period. If in the future all assumptions are realized and if there are no future gains or losses, the current contribution percentage will not change until the pieces that make up the UAAL are fully amortized. However, it will increase as a dollar amount as the total covered payroll increases. Smaller pieces of the UAAL are amortized as level dollar amounts. These amounts will remain constant, and are not affected by gains and losses.

The total contribution will be the sum of the Normal Cost and UAAL contributions.

The following graphs are an illustration of expected future contribution levels. These contribution levels are based on the current Charter provisions and assume no future gains or losses. They are also based on our assumption of 6.0% annual increase in total System payroll, and a population with the same average age and service characteristics as the current population. If actual experience differs from these assumptions, the contribution levels will change.



CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

System Membership

Computer tapes containing data on System membership as of June 30, 1995 were supplied to us by the Retirement Office. On the following schedule we present a summary of System membership at June 30, 1995 and June 30, 1994. Pension amounts shown do not include the cost-of-living adjustments that were effective on July 1, 1995. All July 1 increases were reflected in our valuation calculations.

It was necessary to make assumptions for less than 0.1% of the data records where the information given to us was unreasonable or incomplete. These assumptions did not materially affect the results of our valuation.

The number of total active Members increased by 1.2% since the last valuation. The total number of retired Members and their beneficiaries increased by 0.6%, while the average retirement benefit amount increased by 3.9%.

More detail on System membership, including breakdowns by age and service categories, can be found in Exhibits XI, XII, and XIII of this report.

System Membership

	<u>June 30, 1995</u>	<u>June 30, 1994</u>	<u>% Change</u>
I. Active Members			
a. Number	22,538	22,270	+1.2%
b. Average Age	43.5	43.2	+0.7%
c. Average Years of Service	12.2	11.8	+3.4%
d. Salary			
i) Total Annual Salary	\$911,292,385	\$884,950,676	+3.0%
ii) Average Monthly Salary	\$3,369	\$3,311	+1.8%
II. Pensioners and Beneficiaries			
a. Number	11,962	11,894	+0.6%
b. Average Age	71.5	71.1	+0.6%
c. Allowance			
i) Total Annual Allowance	\$205,047,801	\$196,438,501	+4.4%
ii) Average Monthly Amount	\$1,429	\$1,376	+3.9%

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

Applicable Assets At June 30, 1995

Assets available to pay pension benefits are determined by deducting certain reserves from the total actuarial value of assets amount.

	<u>Book Value</u>	<u>Market Value</u>	<u>Actuarial Value</u>
1. Total Value of Assets at June 30, 1995	\$3,949,185,329	\$4,496,068,000	\$4,222,626,665
2. Less Reserves and Liabilities Established for:			
a. Family Death Benefit Insurance	18,854,676	21,465,669	20,160,173
b. Retiree Health Subsidy	<u>245,416,746</u>	<u>279,402,025</u>	<u>262,409,386</u>
c. Total	264,271,422	300,867,694	282,569,559
3. Net Assets Available for Retirement Benefits at June 30, 1995 (Item 1 less Item 2)	\$3,684,913,907	\$4,195,200,306	\$3,940,057,106

Actuarial Balance Sheet

The purpose of the Actuarial Balance Sheet is to compare System assets with System liabilities in order to define the portion of the liabilities which need to be funded by the City in the future. The Balance Sheet information in the next two pages represents assets and liabilities for retirement benefits only.

System liabilities equal the present value of all future benefits expected to be paid to current and future retirees and beneficiaries of the System.

For the purpose of the Actuarial Balance Sheet, system assets are equal to the sum of:

- the assets currently available to pay benefits,
- the present value of future contributions expected to be made by current System Members, and
- the present value of future contributions expected to be made by the City.
- The last item, the present value of future City contributions, is made up of two parts:

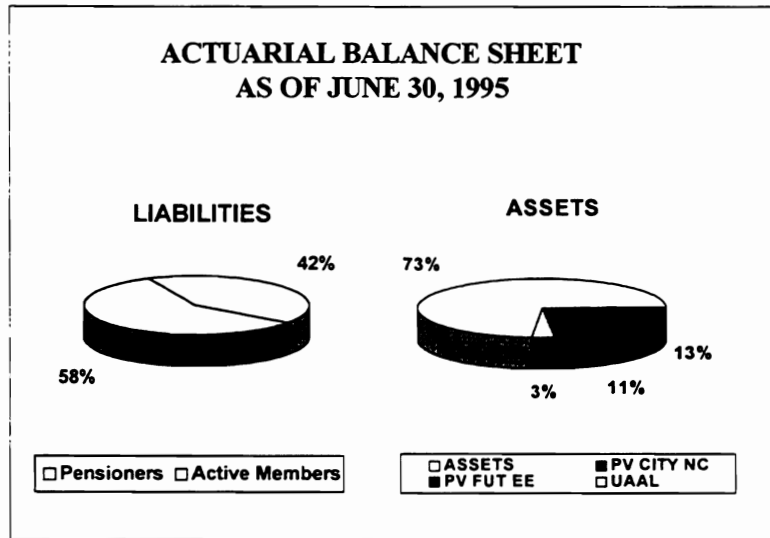
1. The Present Value of Future City Normal Costs: Using the Projected Unit Credit Cost Method, the City budgets a certain percentage of payroll to fund benefits for System Members. The Normal Cost is the cost of benefits earned in each year. Normal Cost is funded from a Member's date of employment to the average expected retirement date. An adjustment is made for the deductions which will be made from the salaries of System Members. For the 1996-1997 fiscal year, the normal cost percentage is 5.03% of pay. The present value of these future City Normal Cost contributions represents one piece of the value of future City contributions.

LACERS

2. The Unfunded Actuarial Accrued Liability: The portion of the present value of future City contributions which will not be funded by the future Normal Cost contributions is the Unfunded Actuarial Accrued Liability (UAAL). The UAAL arises from prior contributions that were less than the current Normal Cost percentage. This usually results from benefit or assumption changes and the net effect of prior gains and losses. If the City had always contributed the current Normal Cost, if there were no prior benefit or assumption changes and if actual experience exactly matched the actuarial assumptions, the Normal Cost would be sufficient to fund all benefits and there would be no UAAL. This liability is funded based on the provisions of the City Charter.

The Actuarial Balance Sheet can be found on the following pages.

The following chart illustrates the breakdown of Balance Sheet assets and liabilities of the retirement benefits of the System. It shows that about 42% of the System's liabilities are for retired Members and their beneficiaries and 58% are for active Members. About 73% of the System's assets consist of currently available assets with 27% consisting of future contributions from the City and the Members.



CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM VALUATION OF RETIREMENT BENEFITS

Actuarial Balance Sheet As Of June 30, 1995

ASSETS

1.	Applicable Assets		\$3,940,057,106
2.	Present Value of Future Member Contributions		\$572,419,458
3.	Present Value of Future Contributions by the City For:		
	a. Basic Pensions		
	i. Normal Cost	\$522,626,331	
	ii. Amortization of Certain Liabilities	(260,093,350)	
	iii. Total		\$262,532,981
	b. Cost-of-Living Pensions		
	i. Normal Cost	\$193,786,659	
	ii. Amortization of Certain Liabilities	400,802,117	
	iii. Total		\$594,588,776
4.	Total Assets		\$5,369,598,321

LIABILITIES

5.	Present Value of Benefits Already Granted (Pensioners and Beneficiaries)		
	a. Basic	\$1,366,257,445	
	b. Cost-of-Living	862,972,470	
	c. Total		\$2,229,229,915
6.	Present Value of Benefits to be Granted (Actives)		
	a. Basic	\$2,488,360,058	
	b. Cost-of-Living	652,008,348	
	c. Total		\$3,140,368,406
7.	Total Liabilities		\$5,369,598,321

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM VALUATION OF RETIREMENT BENEFITS

Budget And Recommended Contributions

Section 506 of the City Charter requires that an annual budget be prepared which sets forth the estimated cost of maintaining the retirement fund on a reserve basis.

The Charter defines the annual budget amount to be the sum of the Normal Cost plus an amount to amortize the Unfunded Actuarial Accrued Liability (UAAL). The Normal Cost and Actuarial Accrued Liability are currently calculated using the Projected Unit Credit Cost Method.

The Normal Cost is the cost of the System benefits earned each year. The Normal Cost consists of two parts: the first part, which is funded by Member contributions, is a specified percentage of the Member's pay; the second part, which is funded by the City, is the balance after deducting the Member paid portion from the total Normal Cost percentage.

The amortization of the UAAL is the payment stream required to fund the excess of System liabilities over the sum of the System assets, future Member contributions, and future City Normal Cost contributions. (See section on the Actuarial Balance Sheet.) The method of amortization is defined in the Charter.

The recommended retirement contribution decreased primarily for the following reasons:

In the prior valuation, the normal cost included an amount to fund certain administration expenses expected to be paid from System assets during the year. Beginning this valuation, the normal cost no longer includes a charge for such expenses. The contribution as a percent of pay decreased by 1.32% with the elimination of this expense charge.

Actuarial assets were \$82.3 million greater than anticipated. This favorable asset experience reduced the Unfunded Actuarial Accrued Liability, which in turn led to a reduction in contribution rate by 0.69% of pay.

In our opinion, if the recommended contributions included in this report are adopted, the System will be maintained in compliance with the Charter of the City of Los Angeles and in accordance with the methods and assumptions underlying the calculations.

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM VALUATION OF RETIREMENT BENEFITS

Recommended City Contributions For Fiscal Year 1996 - 1997

	Percentage of Salary	plus	Fixed Dollar Amount
For Basic Retirement Benefits			
Normal Cost	3.53%		
Prior Service-Minimum Pensions (amortized as a level dollar amount until June 30, 1997)			\$ 927,955
Unfunded Actuarial Accrued Liability	-0.33%		
Total Contributions for Basic Retirement Benefits	3.20%	plus	\$ 927,955
For Cost-of-Living Retirement Benefits			
Normal Cost	1.50%		
Increase due to 1967 Amendment (Amortized as a level dollar amount until June 30, 1997)			\$1,796,547
Unfunded Actuarial Accrued Liability	6.00%		
Total Contributions for Cost-of-Living Retirement Benefits	7.50%	plus	\$1,796,547
Total Basic and Cost-of-Living Contributions for Retirement Benefits	10.70%	plus	\$2,724,502

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

VALUATION OF RETIREMENT BENEFITS

Detail of Amortization of Unfunded Actuarial Accrued Liability

BASIC PENSIONS

Item	Remaining Years	Balance to be		% of Salary
		Amortized 06/03/95	Amortization Amount	
1. Prior Service Pensions	2	\$1,654,789	\$927,955	N/A
2. Change in Asset Valuation Method at 06/30/89	24	(114,337,305)	(5,967,897)	(.65%)
3. Change in Assumptions at 06/30/89	24	(57,774,169)	(3,015,554)	(.33%)
4. Ad Hoc COLA Increase at 12/01/89	10	20,430,164	2,260,969	.25%
5. Actuarial Loss at 06/30/90	10	14,362,365	1,589,457	.17%
6. Actuarial Loss at 06/30/91	11	13,714,641	1,392,326	.15%
7. Actuarial Gain at 06/30/92	12	(72,743,472)	(6,830,862)	(.75%)
8. Change in Assumptions at 06/30/93	28	(142,818,689)	(6,612,986)	(.73%)
9. Actuarial Gain at 06/30/93	13	(106,749,314)	(9,336,531)	(1.02%)
10. Actuarial Loss at 06/30/94	14	13,568,193	1,111,850	.12%
11. Actuarial Gain at 6/30/95	15	(36,915,971)	(2,848,729)	(.31%)
11. Remaining UAAL	9	207,515,418	25,286,678	2.77%
Total		\$(260,093,350)	\$(2,043,324)	(.33%)

COST-OF-LIVING PENSIONS

Item	Remaining Years	Balance to be		% of Salary
		Amortized 06/03/95	Amortization Amount	
1. Increase Due to 1967 Amendments	2	\$3,203,719	\$1,796,547	N/A
2. Change in Assumptions at 06/30/89	24	(53,653,881)	(2,800,493)	(.31%)
3. Actuarial Gain at 06/30/90	10	(11,542,676)	(1,277,407)	(.14%)
4. Actuarial Gain at 06/30/91	11	(6,537,570)	(663,701)	(.07%)
5. Actuarial Loss at 06/30/92	12	37,835,760	3,552,908	.39%
6. Change in Assumptions at 06/30/93	28	(39,618,027)	(1,834,448)	(.20%)
7. Actuarial Loss at 06/30/93	13	2,675,505	234,006	.03%
8. Actuarial Gain at 06/30/94	14	(24,738,044)	(2,027,167)	(.22%)
9. Actuarial Loss at 6/30/95	15	15,653,783	1,207,970	.13%
10. Remaining UAAL	9	477,523,548	58,188,372	6.39%
Total		\$400,802,117	\$56,376,587	6.00%

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

VALUATION OF RETIREMENT BENEFITS

Funded Status Of The System

The following table presents a breakdown of the funded status of the System into basic and cost-of-living retirement pensions. This information is calculated using the guidelines of GASB No. 5 (see page 7). These figures do not include assets or liabilities of the health subsidy.

	<u>June 30, 1995</u>	<u>June 30, 1994</u>
<u>Present Value of Benefits Earned to Valuation Date</u>		
Basic Benefits	\$2,834,235,122	\$2,653,612,144
Cost-of-Living Benefits	<u>1,246,530,751</u>	<u>1,164,229,111</u>
Total	\$4,080,765,873	\$3,817,841,255
 <u>Actuarial Value of Assets Available for Retirement Benefits</u>		
Basic Benefits	\$3,094,328,472	\$2,850,374,694
Cost-of-Living Benefits	<u>845,728,634</u>	<u>779,349,045</u>
Total	\$3,940,057,106	\$3,629,723,739
 <u>Funding Ratio</u>		
Basic Benefits	109.2%	107.4%
Cost-of-Living Benefits	67.8%	66.9%
Total	96.6%	95.1%

Member Contributions

Members contribute to the Retirement System based on schedules contained in the City Administrative Code. For Members commencing participation before February 1, 1983, different contribution rate schedules apply to different groups because of various collective bargaining agreements. For purposes of this valuation, we have assumed that the contribution rates for these Members correspond to those effective on July 1, 1981. These contribution rates can be found in Exhibit X.

If certain Members from this group contribute at a lower rate through a collective bargaining agreement, the City should contribute 78% of the amount that would have been contributed by Members without the bargaining agreements. This percentage reflects the fact that certain participants will terminate when only eligible for a return of their contributions. The City does not need to contribute the amounts that are expected to be refunded after the Members' termination.

In the prior valuation report, it was recommended that 80% of the defrayed amount be contributed. Normally, this percentage would be increasing with the aging of the group affected by the defrayal, and as the probability that these Members will terminate and get a refund of contributions decreases. However, over the past year proportionally more older members in this closed group terminated from the System, leaving a group whose probability to terminate and get a refund is greater than the probability for the group in the prior year.

For Members commencing participation after February 1, 1983, the contribution rate is 6%.

Family Death Benefit Insurance Plan

Section 511.1 of the City Charter establishes the Family Death Benefit Insurance Plan. This Plan provides protection for the families of Members who die before becoming eligible for service retirement. The benefits provided by the Plan are similar to those provided to survivors under Social Security. Members are eligible for dependent benefits after 18 months of participation in the Family Death Benefit Plan. They are eligible for surviving spouse benefits after ten years of participation in the Plan.

Currently, the City and Members share the cost of the Plan. Each contributes \$2.90 per month. This contribution rate is reviewed every two years to determine if the level of contributions is appropriate.

We have reviewed the current contribution level. Pending completion of a study of the funded status of this Plan, we recommend that Members and the City each continue to contribute \$2.90 per month.

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

VALUATION OF HEALTH SUBSIDY BENEFITS

Introduction

Division 4, Chapter 11 of the Administrative code provides that a health insurance subsidy be paid to retired Members of the City Employees' Retirement System. This subsidy is a monthly payment which retirees apply to the cost of health insurance. Retirees can select among a variety of plans sponsored by the City. Members are eligible for subsidy at retirement after age 55 with 10 years of service, or retirement at age 70 (if it was compulsory). Exhibit V summarizes the provisions of the Health Insurance Premium Subsidy.

The System is building a reserve through the advance funding of the health insurance subsidy for current retirees and for active Members with sufficient service to receive a health subsidy (ten years). The actuarial value of the reserve available at June 30, 1995 is \$262,409,386. This amount was calculated by the City as part of the asset information provided to us. The City provides the book value of the health subsidy reserve, which we use along with estimates of the market value, to determine the actuarial value used in funding calculations.

This section of the report contains the results of the June 30, 1995 valuation of the retiree health insurance premium subsidy. In determining the budget amounts for the fiscal year 1996-1997, we have used the same funding method and methods of amortization used in the funding of the retirement benefits. We have also used the same economic and demographic assumptions as those used in the retirement valuation. In addition, special health cost trend assumptions were used. A summary of the economic assumptions follows:

- 8.0% annual interest
- graded medical cost rates of 10.5% in 1995-1996, decreasing gradually to 6.0% in 2009 and beyond for benefits paid before age 65, and rates of 9.5% in 1995-1996 decreasing to 6.0% in 2007 and beyond for benefits paid after age 65.
- graded dental rates of 9.5% in 1995-1996 decreasing to 6.0% in 2007 and beyond.

The health cost trend rates start out lower, as compared to the assumed rates in the preceding valuation, but end up at the same ultimate rate. The impact of this change is a reduction in the System's health subsidy liabilities by 3.3%.

We believe the new trend rate assumptions, along with the other actuarial assumptions, are appropriate for use in the valuation of health subsidy liabilities of the City Employees' Retirement System at June 30, 1995. These assumptions are described in more detail in Exhibit VII.

Actuarial Balance Sheet

The purpose of the Actuarial Balance Sheet is to compare System assets with System liabilities in order to define the portion of the liabilities which need to be funded by the City in the future. The Balance Sheet information in the next two pages represents assets and liabilities for health subsidy benefits only.

System liabilities equal the present value of all future health subsidy benefits expected to be paid to current and future retirees and beneficiaries of the System.

For the purpose of the Actuarial Balance Sheet for health subsidy benefits, System assets are equal to the sum of:

- the assets currently available to pay benefits,
- the present value of future contributions expected to be made by the City.

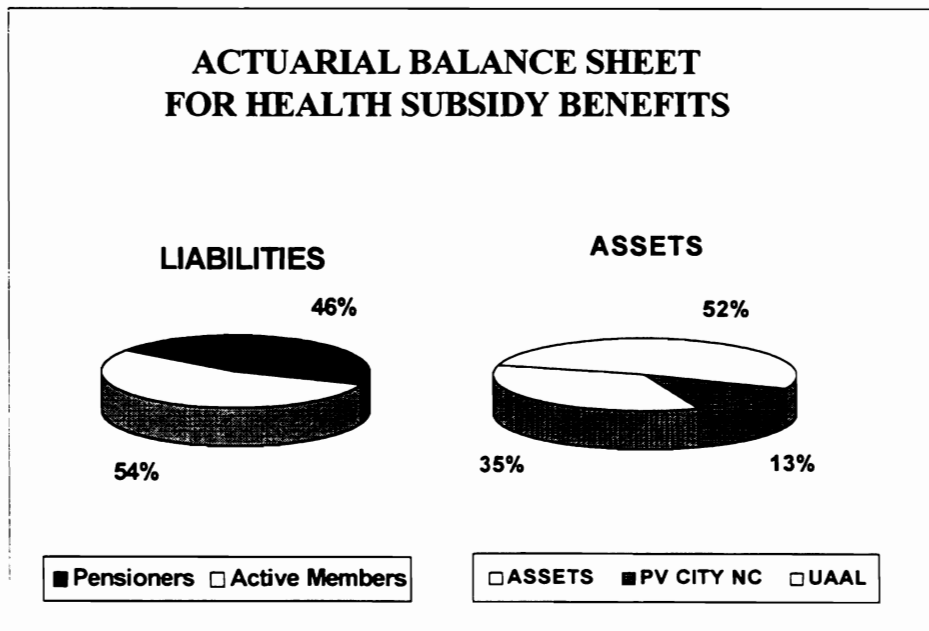
No Member contributions are required for health subsidy benefits.

The last item, the present value of future City contributions, is made up of two parts:

1. **The Present Value of Future City Normal Costs:** Using the Projected Unit Credit Cost Method, the City budgets a certain percentage of payroll to fund benefits for System Members. The Normal Cost is the cost of benefits earned in each year. Normal Cost is funded from a Member's date of employment to the average expected retirement date. For the 1996-1997 fiscal year, the normal cost percentage for health subsidy benefits is 0.91% of pay. The present value of these future City Normal Cost contributions represents one piece of the value of future City contributions.
2. **The Unfunded Actuarial Accrued Liability:** The portion of the present value of future City contributions which will not be funded by the future Normal Cost contributions is the Unfunded Actuarial Accrued Liability (UAAL). The UAAL arises from prior contributions that were less than the current Normal Cost percentage. This usually results from benefit or assumption changes and the net effect of prior gains and losses. If the City had always contributed the current Normal Cost, if there were no prior benefit or assumption changes and if actual experience exactly matched the actuarial assumptions, the Normal Cost would be sufficient to fund all health subsidy benefits and there would be no UAAL. This liability is funded based on the provisions of the City Charter.

The Actuarial Balance Sheet can be found on the following pages.

The following chart illustrates the breakdown of Balance Sheet assets and liabilities of the health subsidy benefits of the System. It shows that about 46% of the System's liabilities are for retired Members and their beneficiaries and 54% are for active Members with ten or more years of service. About 52% of the System's assets consist of currently available assets with 48% consisting of future contributions from the City.



**CITY OF LOS ANGELES
CITY EMPLOYEES' RETIREMENT SYSTEM
VALUATION OF HEALTH SUBSIDY BENEFITS**

Actuarial Balance Sheet As Of June 30, 1995

ASSETS

1. Applicable Assets		\$262,409,386
2. Present Value of Future Member Contributions		0
3. Present Value of Future Contributions by the City:		
a. Normal Costs	\$ 68,505,064	
b. Amortization of Certain Liabilities	178,219,962	
c. Total		\$246,725,026
4. Total Assets		\$509,134,412

LIABILITIES

5. Present Value of Benefits Already Granted (Pensioners and Beneficiaries)		\$233,237,872
6. Present Value of Benefits to be Granted (Actives With Ten or More Years of Service)		275,896,540
7. Total Liabilities		\$509,134,412

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM VALUATION OF HEALTH SUBSIDY BENEFITS

Recommended City Contribution For Fiscal Year 1996-1997

Under Division 4, Chapter 11 of the Administration Code, certain retired employees are eligible for a health insurance premium subsidy. This subsidy is to be funded entirely by the City Employees' Retirement System.

The City is currently building reserves for, or advance funding, the Retiree Health Insurance Subsidy for current retirees and for active Members with sufficient service to receive a health subsidy (10 years). The actuarial value of the reserve available at June 30, 1995 is \$262,409,386. This reserve amount was calculated by the City as part of the asset information provided to us. The City provides the book value of the health subsidy reserve, which we use along with estimates of the market value, to determine the actuarial value used in funding calculations.

Based on this reserve, we have calculated the required funding amount for the fiscal year beginning July 1, 1996. The dollar amounts shown on the next page are based on total payroll at July 1, 1995, for illustrative purposes.

The contribution for health subsidy benefits decreased from 2.99% of payroll for 1995-1996 to 2.49% of payroll for 1996-1997 primarily because, on average, health insurance premiums increased less than assumed since last year. In addition, the change in the assumed medical and dental trend rates resulted in a 0.09% of payroll decrease in contribution by lowering both the Normal Cost and the Unfunded Actuarial Accrued Liability.

CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

VALUATION OF HEALTH SUBSIDY BENEFITS

Recommended City Contribution For
Health Subsidy Benefits For Fiscal Year 1996-1997

	Dollar Amount	Percent of Pay
1. Normal Cost at 06/30/95	\$ 8,250,292	-
2. Actuarial Accrued Liability at 06/30/95	440,629,348	-
3. Actuarial Value of Assets Available for Health Subsidy Benefits at 06/30/95	262,409,386	-
4. Unfunded Actuarial Accrued Liability (UAAL): (2) - (3)	178,219,962	-
5. Amortization of UAAL		
• Initial Base as a Level Percent of Pay through 06/30/2004	\$4,821,583	.53%
• Change in Assumptions at 06/30/89	1,222,768	.13%
• Change in Funding at 06/30/89	7,629,483	.84%
• Actuarial Loss at 06/30/90	5,642,089	.62%
• Actuarial Loss at 06/30/91	5,995,131	.66%
• Actuarial Gain at 06/30/92	(2,517,100)	(.28%)
• Change in Assumptions at 06/30/92	632,992	.07%
• Actuarial Gain at 06/30/93	(922,213)	(.10%)
• Change in Assumptions at 06/30/93	(970,153)	(.11%)
• Actuarial Gain at 06/30/94	(3,083,004)	(.34%)
• Actuarial Gain at 06/30/95	(3,345,715)	(.37%)
• Change in Assumptions at 06/30/95	(659,210)	(.07%)
Total	\$14,446,651	1.58%
6. Recommended Contribution: (1) + (5)	\$22,696,943	2.49%

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM VALUATION OF HEALTH SUBSIDY BENEFITS

Funded Status of Health Subsidy Benefits At June 30, 1995

This information is calculated using the guidelines of GASB No. 5 (see page 7). These figures do not include assets or liabilities of the retirement benefits of the System.

Present Value of Health Subsidy Benefits Accrued to June 30, 1995

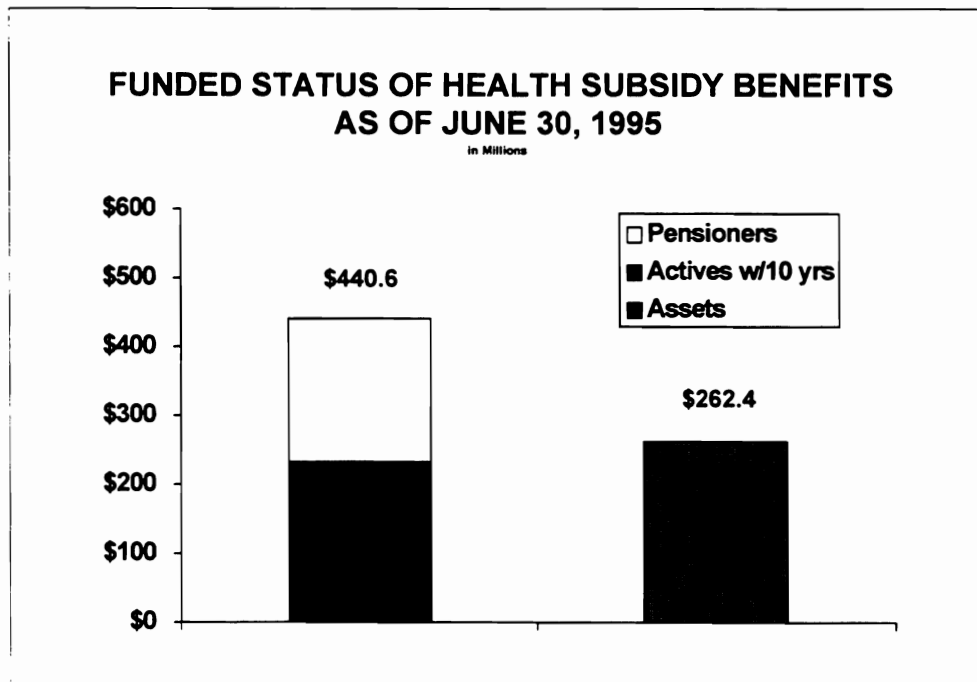
• Retired Members	\$233,237,872	
• Active Members with Ten Years of Service	207,391,476	
• Total		\$440,629,348

Value of Assets Available for Health Subsidy Benefits

Market	\$279,402,025
Actuarial	\$262,409,386

Funded Ratio

Market	63.4%
Actuarial	59.6%



CITY OF LOS ANGELES

CITY EMPLOYEES' RETIREMENT SYSTEM

VALUATION OF HEALTH SUBSIDY BENEFITS

Assumptions And Methods

The City is in the process of advance funding for the Health Insurance Premium Subsidy. A brief summary of this funding process is as follows.

The City began funding for these benefits when the health subsidy plan was first initiated, by commencing funding when a Member retired. However, this funding was limited below the actual cost, since the contributions were determined by recognizing only 3% annual increases in the subsidy due to medical trend.

Beginning in 1987, the assumption for annual increases in the health insurance subsidy benefits was increased to 8% per year. Also, the City began advance funding for active Members who are eligible to retire.

Following the June 30, 1989 Study of Plan Experience, in order to fully reflect the cost of benefits due to expected inflation, the 8% medical trend rate assumption was changed to a series of medical trend rates that graded down from 15% in 1991 to 7% in 2002 and thereafter. The City also began advance funding for active members with sufficient service to receive a health subsidy (10 years).

Effective with the June 30, 1992 Study of Plan Experience, the medical and dental trend rates were updated. Separate rates were used for pre- and post-age 65 benefits to reflect the differences in cost increases after Medicare eligibility. Effective with the June 30, 1993 valuation, the ultimate trend rate has been reduced from 7% to 6% to better reflect our expectations of future medical inflation and utilization.

Effective with the June 30, 1995 Study of Plan Experience, the medical and dental trend rates were again updated due to favorable expectations of experience under the Plan. While the ultimate trend rate was kept, the trend rates for the immediate future have been reduced. For details on these new trend rates, refer to Exhibit VII.

In valuing the liabilities of the health subsidy, we projected future cash flows by applying medical trend rates to current subsidy amounts. The current average monthly claim rates we used as the starting point for our projections depend on the experience of the plan and plan provisions. These rates are summarized in Exhibit VIII. To determine the present value of future health insurance subsidy benefits, we discounted future cash flows to June 30, 1995 using a valuation rate of 8%.

For the purpose of determining contributions, we have used the Projected Unit Credit Funding Method. Our assumptions and methods are described further in Exhibit VII.

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Exhibits Table of Contents

Exhibit I:	System Assets (Book Value)
Exhibit II:	Statement of Reserve and Fund Balance Accounts
Exhibit III:	Statement of Changes in Net Assets Available for Plan Benefits
Exhibit IV:	Summary of Retirement Benefits
Exhibit V:	Summary of Health Subsidy Benefits
Exhibit VI:	Summary of Actuarial Assumptions and Methods Used for Valuation of Retirement Benefits
Exhibit VII:	Summary of Actuarial Assumptions and Methods Used for Valuation of Health Subsidy Benefits
Exhibit VIII:	Average Monthly Claim Rates for Health Subsidy Benefits
Exhibit IX:	Rates of Separation from Active Service
Exhibit X:	Member Contributions
Exhibit XI:	Age/Service/Salary Distribution as of June 30, 1995 for Active Members
Exhibit XII:	Age/Benefit Distribution of Pensioners as of June 30, 1995
Exhibit XIII:	Age/Average Monthly Health Subsidy Distribution as of June 30, 1995

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

System Assets (Book Value)

	<u>June 30, 1995</u>	<u>June 30, 1994</u>
ASSETS		
Cash	\$1,000	\$68,838
Receivable		
Accrued Interest and Dividend Income	30,551,887	27,061,464
Other Receivable	9,579,037	3,966,205
Proceeds from Investment	<u>36,401,166</u>	<u>40,820,235</u>
Total Receivable	76,532,090	71,847,904
Investments		
Temporary, at Cost	426,628,761	414,008,202
Bonds, at Amortized Cost	1,247,173,702	1,227,104,750
Common Stocks, at Cost	2,210,426,963	2,047,520,887
Real Estate	<u>120,991,637</u>	<u>116,583,091</u>
Total Investments	4,005,221,063	3,805,216,930
Total Assets	4,081,754,153	3,877,133,672
LIABILITIES		
Accounts Payable and Accrued Expenses	(132,568,824)	(108,527,794)
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$3,949,185,329	\$3,768,605,878

Exhibit II

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Statement Of Reserve And Fund Balance Accounts

	<u>June 30, 1995</u>	<u>June 30, 1994</u>
ACTUARIAL		
Member Contributions	\$604,260,897	\$562,078,400
Annuities	350,886,442	346,157,973
Basic Pensions	2,014,336,734	1,928,572,918
Cost-of-Living	715,429,834	686,169,770
Family Death Benefit Insurance	18,854,676	18,132,841
Health Benefits	245,416,746	227,493,976
Total Actuarial	\$3,949,185,329	\$3,768,605,878
OTHER		
Undistributed Earnings	\$0	\$0
Fund Balance	0	0
Total Other	0	0
TOTAL RESERVE AND FUND BALANCE	\$3,949,185,329	\$3,768,605,878

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Statement of Changes in Net Assets Available For Plan Benefits

	<u>Year Ended</u>	<u>Year Ended</u>
REVENUES		
City Contributions	\$144,384,788	\$173,631,707
Members' Contributions	43,747,551	42,289,767
Income from Investments		
Interest Earned	107,795,817	117,503,253
Dividends	59,190,322	44,363,759
Real Estate	9,979,835	8,387,188
Total	176,965,974	170,254,200
Total Revenues	\$365,098,313	\$386,175,674
EXPENDITURES		
Pensions		
Retirement Allowances	\$199,532,937	\$187,919,234
Family Death Benefit Insurance	492,103	560,965
Health Benefits	21,828,675	22,175,515
Total	221,853,715	210,655,714
Refund of Members' Contributions	7,742,800	8,543,248
Administrative Expenses	10,275,416	11,069,342
Total Expenditures	\$239,871,931	\$230,268,304
NET REVENUES	\$125,226,382	\$155,907,370
CAPITAL GAIN ON INVESTMENTS SOLD	\$55,353,069	\$167,140,454
NET REVENUES PLUS CAPITAL GAIN	\$180,579,451	\$323,047,824
NET ASSETS AVAILABLE FOR PLAN BENEFITS, BEGINNING OF THE YEAR	\$3,768,605,878	\$3,445,558,054
NET ASSETS AVAILABLE FOR PLAN BENEFITS, END OF THE YEAR	\$3,949,185,329	\$3,768,605,878

Exhibit IV

**CITY OF LOS ANGELES
CITY EMPLOYEES' RETIREMENT SYSTEM**

Summary of Retirement Benefits

1. Eligibility: Members are eligible on their first day of City employment.
2. Final Compensation: Highest 12-month average salary.
3. Service Retirement:
 - A) Eligibility: Age 55 with 10 years of service, or any age with 30 years of service, or age 70.
 - B) Benefit: 2.16% of Final Compensation for each year of service.
 - C) Reduction for Early Retirement:
 - Beta Formula: Unreduced for retirement after age 60, or after age 55 with at least 30 years of service. Reduction factors apply for earlier retirement.
 - D) Form of Payment: Benefit payable for life with 50% continuance to eligible spouse if employee had that coverage at time of retirement. Larger continuances are available with actuarial reduction.
4. Disability Retirement:
 - A) Eligibility: Five years of continuous service and physically or mentally incapacitated so unable to perform duties of position.
 - B) Benefit: 1/70 of Final Compensation per year of continuous service. If service is less than 23-1/3 years, then service is projected to retirement, with a maximum service of 23-1/3 years.
 - C) Form of Payment: Benefit payable for life with 50% continuance to eligible spouse if employee had this coverage at time of retirement. Larger continuances are available with actuarial reduction.

5. Deferred Service Retirement:

- A) Eligibility: Five years of service prior to termination of City service. Member must leave contributions on deposit and apply in writing within three years of termination.
- B) Benefit: Same as Service Retirement payable anytime after age 55, provided at least 10 years have elapsed from date of original membership (or anytime after age 70).
- C) Form of Payment: Same as Service Retirement.

6. Pre-retirement Death Benefits:

- A) Not Eligible for Disability or Service Retirement: Member receives (i), (ii), and (iii) where:
- (i) = Accumulated contributions with interest.
- (ii) = Limited monthly pension equal to half the average monthly salary for the year before death. Benefit is payable to surviving spouse, minor children, or dependent parents, and is payable for a period of 2 months times the number of completed years of service, to a maximum of 12 months.
- (iii) = Family Death Benefit Insurance Plan benefit, if a qualified Member.
- B) Eligible for Disability Retirement or Duty-Related Death: Member receives (i) and (ii) where:
- (i) = 60% of the benefit the Member would have received if he or she had been granted a disability benefit on the day before death, payable for the lifetime of the Member's spouse.
- (ii) = Family Death Benefit Insurance Plan benefit, if a qualified Member.
- Surviving spouse may elect A in lieu of B.***
- C) Eligible for Service Retirement
- Surviving spouse receives a lifetime benefit equal to 100% of the benefit the Member would have been entitled to if he or she had been granted an Option 1 (Joint and 100%) actuarially reduced Service Retirement benefit on the day before death.
- Benefits under the Family Death Benefit Insurance Plan are not available.

Surviving spouse may elect A or B in lieu of C.

7. Post-retirement Death Benefits: Member receives (i), (ii), and (iii), where:
- (i) = 50% continuance to surviving eligible spouse, if covered under the plan.
 - (ii) = Return of unused contributions and interest (provided normal cash refund annuity was selected) and any accrued but unpaid retirement allowance at death of last beneficiary eligible for monthly allowance.
 - (iii) = \$500 death benefit allowance for burial expenses at death of retired member.
8. Post-retirement Cost-of-Living Benefits: Each July 1, the benefits are increased by the percentage increase in CPI (to a maximum of 3%). Increases in CPI above 3% are "banked" to apply in years when CPI increase is less than 3%.
- If benefit has been paid less than 12 months, the 3% increase is proportionately decreased.
9. Employee Contributions: Pre-February, 1983 participants:
- Members are assumed to contribute per the schedule effective July 1, 1981. To the extent that Members contribute less than the full rates, the City should contribute 80% of the amounts otherwise paid by the Member.
- Post-January, 1983 participants:
- Members contribute 6% of pay.
10. Family Death Benefit Insurance Plan:
- A) Eligibility: Employee may elect coverage after 18 months of City retirement service.
 - B) Benefits: Benefits similar to those provided by Social Security Survivors' Insurance are payable if Member dies in active service after 18 months of Family Death Benefit Plan membership.
 - C) Cost: It is recommended that the Member and City each contribute \$2.90 per month.

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Summary of Health Subsidy Benefits

Eligibility:	Members who retire with ten years of service. Subsidy begins at age 55.
Subsidy:	Medical For retired Members under age 65 or 65 and over with only Medicare Part B: A percentage of the Maximum Subsidy, or the actual premium paid to a City approved health carrier, if less. The percentage is 4% for each year of service, up to a maximum 100% after 25 years. Maximum Subsidy: The maximum is the rate currently paid for active City employees. As of July 1, 1995, this amount is \$472 per month. For retired Members age 65 and over with Medicare Parts A and B: A percentage of the premium paid to a City approved health carrier. The percentage is 75% with 10 - 14 years of service, 90% for 15 - 19 years of service and 100% for 20 years of service or more. Medicare Part B premiums are also paid. Dental 4% per year of service to a maximum of \$28.24 for Connecticut General and \$9.94 for Safeguard.

Exhibit VI

CITY OF LOS ANGELES
CITY EMPLOYEES' RETIREMENT SYSTEM

Summary of Actuarial Assumptions
And Methods Used For Valuation
Of Retirement Benefits

Interest Rate: 8.0% per year.

Salary Increases: Total System payroll is assumed to increase 6.0% per year.
Annual salary increases for individuals vary by age.

<u>Age</u>	<u>Annual Salary Increase</u>
Under 34	7%
35 - 44	6%
45 - 54	5%
55 and over	4%

Cost-of-Living: 3.0% per year.

Mortality: A. For Pensioners on Service Retirement and Beneficiaries
1971 Group Annuity Mortality Table, with a one year setback for males and a five year setback for females.

Sample Rates

Deaths per 1,000

Age	Males	Females
45	2.6	1.6
50	4.7	2.9
55	7.8	5.3
60	11.9	8.5
65	19.2	13.1
70	32.4	21.3
75	51.2	36.1

Mortality (Cont'd)

B. For Pensioners on Disability Retirement:

1981 Disability Mortality Table

Sample Rates

Age	Deaths per 1,000
45	20.8
50	24.4
55	28.4
60	33.0
65	37.9
70	43.7
75	55.3

Rehire for Former Employees:

All former employees are assumed not to be rehired.

Dependents:

Where no other information is available, Members are assumed to have two children with a three year difference in age. The eldest is assumed to reach age 21 when the participant reaches age 45.

Proportion of Members with Spouses at Retirement:

With Spouses at Retirement: 75% of male employees and 55% of female employees are assumed married at retirement. Wives are assumed four years younger than husbands.

Funding Method:

For retirement benefits: The Projected Unit Credit Cost Method.

Asset Valuation Method:

For the Family Death Benefit Insurance Plan: One year term cost funding method.

An asset value equal to the average of book and market values was used in determining annual funding requirements.

Exhibit VII

CITY OF LOS ANGELES
CITY EMPLOYEES' RETIREMENT SYSTEM

Summary Of Actuarial Assumptions And Methods
Used For Valuation Of Health Subsidy Benefits

Methods: Future cash flows were projected by applying medical trend rate factors to current annual claim rates.

Discount on Projected Cash Flows: 8% per year.

Medical Trend Rates: Beginning with this June 30, 1995 valuation, the rates are:

	<u>Medical Inflation</u>		<u>Dental Inflation</u>
	<u>Pre-65</u>	<u>Post-65</u>	<u>Pre and Post-65</u>
1995-1996	10.50%	9.50%	9.50%
1996-1997	10.00%	9.00%	9.00%
1997-1998	9.50%	8.50%	8.50%
1998-1999	9.00%	8.25%	8.25%
1999-2000	8.50%	8.00%	8.00%
2000-2001	8.25%	7.75%	7.75%
2001-2002	8.00%	7.50%	7.50%
2002-2003	7.75%	7.25%	7.25%
2003-2004	7.50%	7.00%	7.00%
2004-2005	7.25%	6.75%	6.75%
2005-2006	7.00%	6.50%	6.50%
2006-2007	6.75%	6.25%	6.25%
2007-2008	6.50%	6.00%	6.00%
2008-2009	6.25%	6.00%	6.00%
2009+	6.00%	6.00%	6.00%

In the preceding valuation, the assumed rates were:

	<u>Medical Inflation</u>		<u>Dental Inflation</u>
	<u>Pre-65</u>	<u>Post-65</u>	<u>Pre and Post-65</u>
1995-1996	11.5%	10.5%	10.5%
1996-1997	11.0%	10.0%	10.0%
1997-1998	10.5%	9.5%	9.5%
1998-1999	10.0%	9.0%	9.0%
1999-2000	9.5%	8.5%	8.5%
2000-2001	9.0%	8.0%	8.0%
2001-2002	8.5%	7.5%	7.5%

Medical Trend Rates (Cont'd)	2002-2003	8.0%	7.25%	7.25%
	2003-2004	7.5%	7.0%	7.0%
	2004-2005	7.0%	6.75%	6.75%
	2005-2006	6.75%	6.50%	6.50%
	2006-2007	6.50%	6.25%	6.25%
	2007-2008	6.25%	6.00%	6.00%
	2008+	6.0%	6.00%	6.00%

Medicare Premium Inflation Rate:	<u>Year</u>	<u>Increase</u>
	1995-1996	\$47.20*
	1996-1997	8.00%
	1997-1998	7.75%
	1998-1999	7.50%
	1999-2000	7.25%
	2000-2001	7.00%
	2001-2002	6.75%
	2002-2003	6.50%
	2003-2004	6.25%
	2004+	6.00%

*Estimated average of 1995 and 1996 Medicare Part B premiums.

Mortality	1971 Group Annuity Mortality Table, with a one year age setback for males and a five year age setback for females.
Probability of Termination	Same rates as used in valuation of retirement benefits of Employment: See retirement report for details.
City Medical Plan Coverage	City Medical Plan Coverage: 80% of all retirees are assumed to receive a subsidy for a City approved health carrier.
Spouses and Dependent:	90% of male and 65% of female retirees who receive a subsidy are assumed to be married and elect dependent coverage.
Medicare Coverage	85% of retirees are assumed to elect Medicare Parts A & B.
Dental Coverage	65% of retirees are assumed to elect dental coverage.
Funding Method	The prefunding of projected cash flows is determined using the Projected Unit Credit Funding Method.
Asset Valuation Method	An asset value equal to the average of book and market values was used in determining annual funding requirements.

Exhibit VIII

**CITY OF LOS ANGELES
CITY EMPLOYEES' RETIREMENT SYSTEM**

Average Monthly Subsidy Rates For Health Subsidy Benefits

<u>Medical</u>	Premium Per Month Per Year of Service (Max. 25 Years)
Less Than Age 65 or Age 65 and Over Without Medicare Parts A & B	
Married Male	\$16.19
Single Male	12.79
Married Female	15.46
Single Female	14.07
Age 65 and Over with Medicare Parts A & B	
Married Male	6.50
Single Male	6.26
Married Female	5.90
Single Female	8.94
Dental	0.95

CITY OF LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

Rates Of Separation From Active Service

A schedule of the probabilities of termination of employment due to the following causes can be found on the following pages:

- | | |
|---|--|
| 1. Ordinary Withdrawal: | Member terminates and elects a refund of Member contributions. |
| 2. Service Retirement: | Member retires after meeting age and service requirements for reasons other than disability. |
| 3. Ordinary Disability: | Member receives disability retirement; disability is not service related. |
| 4. Service Disability: | None assumed. |
| 5. Ordinary Death: | Member dies before eligibility for retirement; death is not service related. |
| 6. Service Death: | None assumed. |
| 7. Death While Eligible for Service Retirement: | Member dies before retirement but after meeting age and service requirements for service retirement. |

Each rate represents the probability that a Member will separate from service at each age due to the particular cause. For example, a rate of 0.0020 for a Member's service retirement at age 50 means we assume that, on average, 2 out of 1,000 Members who are age 50 will retire at that age.

Exhibit IX

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM
RATES OF SEPARATION FROM ACTIVE SERVICE

Age	Ordinary Withdrawal		Service Retirement		Ordinary Disability		Ordinary Death		Death
	Males	Females	Males	Females	Males	Females	Males	Females	Elig for Svc Ret
20	0.2900	0.1500	0.0000	0.0000	0.0000	0.0000	0.0003	0.0002	0.0000
21	0.2549	0.1440	0.0000	0.0000	0.0000	0.0000	0.0003	0.0002	0.0000
22	0.2240	0.1382	0.0000	0.0000	0.0000	0.0000	0.0003	0.0002	0.0000
23	0.1969	0.1327	0.0000	0.0000	0.0000	0.0000	0.0003	0.0002	0.0000
24	0.1731	0.1274	0.0000	0.0000	0.0000	0.0000	0.0003	0.0002	0.0000
25	0.1521	0.1223	0.0000	0.0000	0.0002	0.0000	0.0004	0.0003	0.0000
26	0.1404	0.1159	0.0000	0.0000	0.0002	0.0000	0.0004	0.0003	0.0000
27	0.1296	0.1098	0.0000	0.0000	0.0003	0.0000	0.0005	0.0004	0.0000
28	0.1197	0.1040	0.0000	0.0000	0.0004	0.0000	0.0005	0.0004	0.0000
29	0.1105	0.0986	0.0000	0.0000	0.0005	0.0000	0.0006	0.0005	0.0000
30	0.1020	0.0934	0.0000	0.0000	0.0006	0.0001	0.0006	0.0005	0.0000
31	0.0946	0.0879	0.0000	0.0000	0.0008	0.0001	0.0006	0.0006	0.0000
32	0.0877	0.0827	0.0000	0.0000	0.0009	0.0001	0.0007	0.0006	0.0000
33	0.0813	0.0779	0.0000	0.0000	0.0010	0.0001	0.0007	0.0006	0.0000
34	0.0754	0.0733	0.0000	0.0000	0.0011	0.0001	0.0008	0.0007	0.0000
35	0.0699	0.0690	0.0000	0.0000	0.0013	0.0002	0.0008	0.0007	0.0000
36	0.0654	0.0671	0.0000	0.0000	0.0014	0.0002	0.0009	0.0008	0.0000
37	0.0611	0.0652	0.0000	0.0000	0.0015	0.0002	0.0010	0.0008	0.0000
38	0.0572	0.0634	0.0000	0.0000	0.0016	0.0003	0.0010	0.0009	0.0000
39	0.0535	0.0617	0.0000	0.0000	0.0017	0.0003	0.0011	0.0010	0.0000
40	0.0500	0.0600	0.0000	0.0000	0.0018	0.0004	0.0012	0.0010	0.0000
41	0.0480	0.0580	0.0000	0.0000	0.0018	0.0005	0.0014	0.0011	0.0000
42	0.0450	0.0560	0.0000	0.0000	0.0019	0.0006	0.0014	0.0012	0.0000
43	0.0430	0.0540	0.0000	0.0000	0.0019	0.0008	0.0015	0.0012	0.0000
44	0.0400	0.0520	0.0000	0.0000	0.0020	0.0010	0.0016	0.0013	0.0000
45	0.0380	0.0500	0.0000	0.0000	0.0020	0.0012	0.0017	0.0014	0.0000
46	0.0360	0.0480	0.0000	0.0000	0.0021	0.0014	0.0018	0.0014	0.0000
47	0.0340	0.0460	0.0000	0.0000	0.0021	0.0014	0.0019	0.0015	0.0000
48	0.0320	0.0440	0.0000	0.0000	0.0022	0.0016	0.0021	0.0016	0.0000
49	0.0300	0.0420	0.0000	0.0000	0.0022	0.0018	0.0022	0.0017	0.0000
50	0.0280	0.0400	0.0020	0.0010	0.0023	0.0020	0.0023	0.0018	0.0000
51	0.0270	0.0380	0.0030	0.0022	0.0023	0.0024	0.0025	0.0019	0.0000
52	0.0250	0.0360	0.0040	0.0040	0.0023	0.0028	0.0027	0.0021	0.0000
53	0.0240	0.0340	0.0055	0.0067	0.0023	0.0032	0.0028	0.0022	0.0000
54	0.0220	0.0330	0.0235	0.0134	0.0023	0.0036	0.0030	0.0024	0.0000
55	0.0210	0.0320	0.0945	0.0635	0.0024	0.0040	0.0032	0.0026	0.0021
56	0.0205	0.0320	0.0675	0.0286	0.0024	0.0040	0.0034	0.0029	0.0024
57	0.0205	0.0320	0.0785	0.0313	0.0024	0.0040	0.0036	0.0031	0.0026
58	0.0205	0.0320	0.0900	0.0358	0.0024	0.0040	0.0039	0.0034	0.0029
59	0.0205	0.0320	0.1000	0.0581	0.0024	0.0040	0.0041	0.0038	0.0032
60	0.0210	0.0325	0.1935	0.1654	0.0024	0.0000	0.0044	0.0042	0.0035
61	0.0210	0.0325	0.1400	0.0984	0.0024	0.0000	0.0050	0.0046	0.0039
62	0.0225	0.0330	0.1500	0.1118	0.0025	0.0000	0.0055	0.0052	0.0043
63	0.0230	0.0335	0.1680	0.1207	0.0025	0.0000	0.0061	0.0058	0.0048
64	0.0240	0.0340	0.2125	0.1341	0.0025	0.0000	0.0067	0.0065	0.0053
65	0.0000	0.0000	0.3500	0.2240	0.0000	0.0000	0.0074	0.0073	0.0059
66	0.0000	0.0000	0.2240	0.1520	0.0000	0.0000	0.0082	0.0084	0.0065
67	0.0000	0.0000	0.2240	0.1650	0.0000	0.0000	0.0090	0.0097	0.0072
68	0.0000	0.0000	0.2240	0.1920	0.0000	0.0000	0.0098	0.0111	0.0078
69	0.0000	0.0000	0.2500	0.2500	0.0000	0.0000	0.0106	0.0127	0.0086
70	0.0000	0.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000

CITY OF LOS ANGELES
 CITY EMPLOYEES' RETIREMENT SYSTEM

Contribution Rates Assumed For Members
 Participating Before February 1, 1983

<u>Age</u>	<u>Normal</u>	<u>Survivor</u>	<u>Total</u>	<u>Age</u>	<u>Normal</u>	<u>Survivor</u>	<u>Total</u>
16	8.00%	0.22%	8.22%	38	9.96%	0.87%	10.83%
17	8.04	0.28	8.32	39	10.07	0.90	10.97
18	8.08	0.33	8.41	40	10.19	0.91	11.10
19	8.14	0.39	8.53	41	10.29	0.92	11.21
20	8.20	0.44	8.64	42	10.41	0.93	11.34
21	8.27	0.48	8.75	43	10.52	0.94	11.46
22	8.34	0.53	8.87	44	10.64	0.95	11.59
23	8.42	0.56	8.98	45	10.76	0.97	11.73
24	8.50	0.60	9.10	46	10.89	0.98	11.87
25	8.58	0.63	9.21	47	11.01	0.99	12.00
26	8.66	0.66	9.32	48	11.12	1.00	12.12
27	8.75	0.68	9.43	49	11.24	1.01	12.25
28	8.86	0.70	9.56	50	11.34	1.03	12.37
29	8.96	0.72	9.68	51	11.44	1.05	12.49
30	9.06	0.75	9.81	52	11.55	1.06	12.61
31	9.17	0.77	9.94	53	11.65	1.07	12.72
32	9.28	0.79	10.07	54	11.75	1.08	12.83
33	9.40	0.81	10.21	55	11.85	1.09	12.94
34	9.50	0.82	10.32	56	11.94	1.10	13.04
35	9.61	0.83	10.44	57	12.03	1.12	13.15
36	9.73	0.85	10.58	58	12.13	1.13	13.24
37	9.84	0.86	10.70	59 & Up	12.19	1.14	13.33

EXHIBIT XI

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM AGE/SERVICE/SALARY DISTRIBUTION BY ATTAINED AGE FOR ACTIVE MEMBERS AS OF JUNE 30, 1995

ATTAINED AGE - I UNDER 25 AVE. SALARY	YEARS OF SERVICE													TOTAL			
	1-2	2-3	3-4	4-5	5-9	10-14	15-19	20-24	25-29	30-34	Over 34						
25-29 AVE. SALARY	143 25,159	52 23,371	11 20,860	13 29,375	22 30,969	21 28,360	0	0	0	0	0	0	0	0	0	0	262 25,578
30-34 AVE. SALARY	312 29,006	164 31,312	137 32,679	166 35,878	193 36,099	817 33,465	22 32,030	0	0	0	0	0	0	0	0	0	1811 32,927
35-39 AVE. SALARY	270 32,473	116 32,501	106 29,812	141 38,722	228 37,100	1902 38,727	565 36,886	29 37,776	0	0	0	0	0	0	0	0	3357 37,299
40-44 AVE. SALARY	194 32,280	105 34,597	81 32,786	112 36,873	173 36,806	1667 40,308	997 42,073	271 37,563	31 37,325	0	0	0	0	0	0	0	3631 39,528
45-49 AVE. SALARY	144 34,707	82 36,078	72 31,573	109 38,642	121 39,000	1288 40,164	797 42,589	601 43,721	489 40,965	37 43,357	0	0	0	0	0	0	3740 40,841
50-54 AVE. SALARY	126 35,200	54 34,570	47 33,454	76 37,889	93 38,168	867 40,326	561 41,523	570 46,630	786 46,748	421 49,249	15 47,002	0	0	0	0	0	3616 43,507
55-59 AVE. SALARY	45 32,126	26 37,459	42 29,057	55 31,466	70 38,419	508 39,594	344 41,618	318 48,509	478 47,317	680 50,379	198 54,113	15 50,753	0	0	0	0	2779 45,436
60-64 AVE. SALARY	27 34,727	20 26,140	21 21,654	31 21,772	39 31,133	354 40,015	220 41,958	190 42,667	263 44,176	398 46,162	183 55,340	57 50,680	0	0	0	0	1803 43,435
OVER 64 AVE. SALARY	14 28,723	8 16,921	12 24,311	19 17,113	25 27,855	159 38,988	114 41,517	114 40,688	136 43,190	179 40,830	76 50,699	67 57,567	0	0	0	0	923 41,510
TOTAL AVE. SALARY	1282 31,205	635 31,988	556 29,981	756 34,512	983 36,278	7686 39,003	3687 41,165	2177 43,898	2269 44,846	1791 47,890	523 53,135	190 53,271	0	0	0	0	22535 40,439
AVERAGE AGE:	43.5																
AVERAGE SERVICE:	12.0																

EXHIBIT XII

CITY OF LOS ANGELES EMPLOYEE'S RETIREMENT SYSTEM DISTRIBUTION OF PENSIONERS BY PLAN YEAR OF RETIREMENT AND BY ATTAINED AGE AS OF JUNE 30, 1995 TOTAL FOR ALL PENSIONERS RETIREMENT BENEFITS

Attained Age	Retirements in Plan Year Beginning in																	Total	Average Amount
	PRE	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995			
0 - 39	6	0	0	7	0	0	2	1	2	9	8	15	11	11	15	87	7,495		
40 - 44	19	5	6	7	8	6	10	3	11	5	9	6	1	7	12	115	10,497		
45 - 49	36	9	8	5	5	9	8	8	12	11	8	13	9	8	12	161	10,656		
50 - 54	73	5	7	9	12	6	8	13	18	14	10	21	6	16	71	289	13,373		
55 - 59	104	16	10	20	15	17	19	11	21	85	97	122	156	176	139	1008	21,788		
60 - 64	122	29	27	25	68	88	138	157	177	171	124	135	153	129	116	1659	22,236		
65 - 69	420	115	217	218	170	128	163	141	160	130	117	88	94	89	58	2308	19,643		
70 - 74	995	191	232	201	170	110	133	119	100	71	46	43	53	37	17	2518	18,055		
75 - 79	1324	120	92	82	81	44	35	33	16	14	6	7	14	9	6	1883	14,607		
80 - 84	997	30	23	18	12	10	3	3	4	4	6	0	6	1	1	1118	11,570		
85 - 89	566	1	4	1	0	3	2	1	1	2	1	0	0	2	1	585	9,618		
90 - 94	224	0	0	0	0	0	1	0	0	0	0	0	0	0	6	231	8,164		
OVER 95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
TOTAL	4886	521	626	593	541	421	522	490	522	516	432	450	503	485	454	11962			
AVERAGE BENEFIT AMOUNT	11,847	16,194	19,750	19,002	19,331	19,176	20,198	21,104	20,986	21,743	22,681	23,150	24,676	22,221	22,237				

AVERAGE BENEFIT AMOUNT: \$17,142
TOTAL ANNUAL BENEFITS: \$205,047,801

EXHIBIT XIII

LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF PENSIONERS BY PLAN YEAR OF RETIREMENT AND BY ATTAINED AGE AS OF JUNE 30, 1995 TOTAL FOR ALL PENSIONERS HEALTH SUBSIDY BENEFITS

Attained Age	Retirements in Plan Year Beginning in													Average Monthly Health Subsidy			
	PRE	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992		1993	1994	Total
0 - 39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 - 44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45 - 49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50 - 54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 - 59	16	3	1	3	3	3	4	7	9	52	84	117	120	120	120	545	365
60 - 64	21	5	5	5	4	79	102	119	163	109	121	138	126	107	1144	362	362
65 - 69	76	47	122	121	148	133	113	131	115	99	84	88	82	50	1508	168	168
70 - 74	453	115	175	162	139	119	109	90	62	49	38	45	36	14	1703	137	137
75 - 79	752	107	88	83	76	41	36	15	9	6	10	17	7	5	1294	132	132
80 - 84	571	28	20	12	16	2	4	4	2	2	0	5	0	1	677	135	135
85 - 89	303	0	3	0	0	1	2	2	2	0	0	0	2	0	316	162	162
90 - 94	118	0	0	0	0	0	0	0	0	0	0	0	0	0	118	156	156
OVER95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2310	305	414	386	386	292	378	370	368	317	337	410	373	297	7305	7305	7305
Monthly Average Health Subsidy	\$149	\$148	\$153	\$148	\$155	\$162	\$196	\$208	\$222	\$263	\$280	\$275	\$279	\$314	\$314	\$314	\$314

AVERAGE MONTHLY HEALTH SUBSIDY: \$196
TOTAL MONTHLY HEALTH SUBSIDY: \$1,436,185

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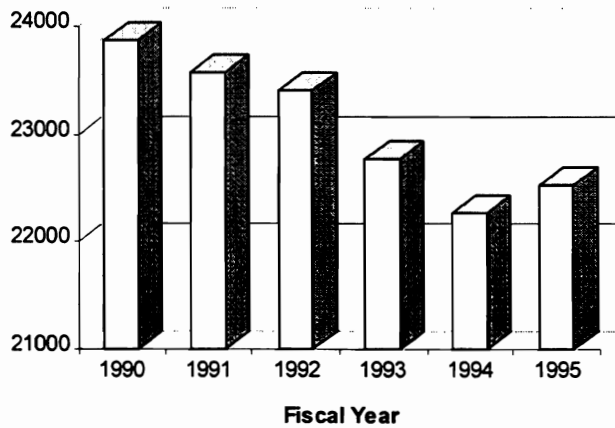
L

STATISTICAL
SECTION

MEMBERSHIP INFORMATION

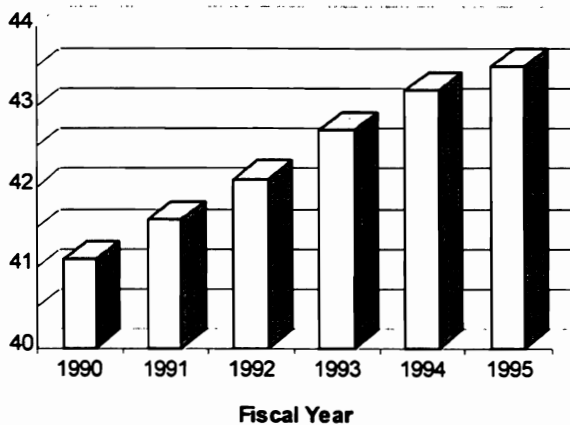
All City employees who are not members of the Department of Water and Power Retirement Plan, the Fire and Police Pension Plan, or the Pension Savings Plan are members of the City Employees' Retirement System. Membership has been decreasing each year since 1990 largely as a result of Citywide downsizing through attrition with a freeze on new hires.

Active Membership



As a result of limiting new hires, the average years of service of active members has increased over the same time period. This also increased the average age of the membership. These changes increase the fund cost as a percent of payroll. Active membership has declined from 23,871 in 1990 to 22,535 in 1995.

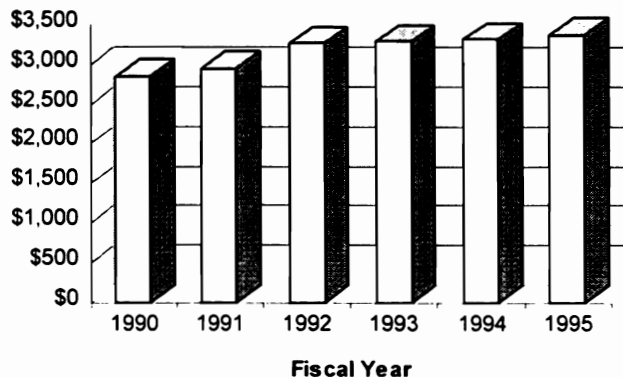
Average Age of Active Membership



Limiting the hiring of new employees has had the effect of increasing the average monthly salary and average age of the total membership, even though the total City payroll has decreased.

The average age of LACERS members increased from 41.1 in 1990 to 43.5 in 1995.

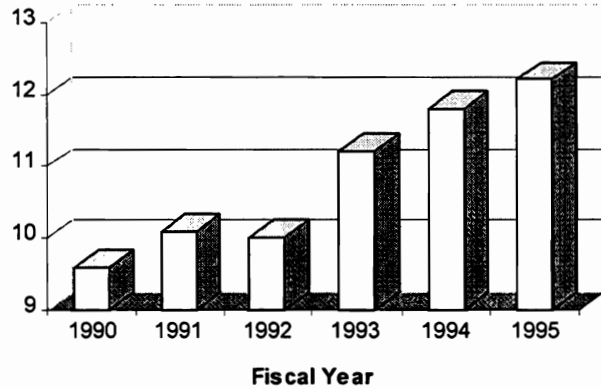
Average Monthly Salary of Active Membership



The average monthly salary of LACERS members, \$2,848 in 1991, increased 15.5 percent to \$3,369 in 1995.

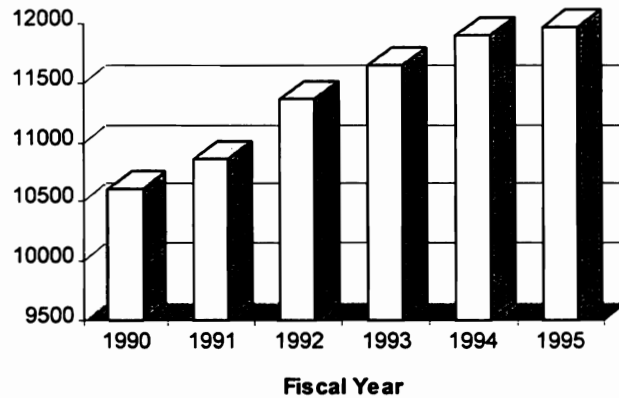
Another reflection of the hiring freeze in the City has been an increase in the number of years of service of active system members, from 9.6 in 1990 to 12.2 in 1995.

Average Years of Service of Active Membership



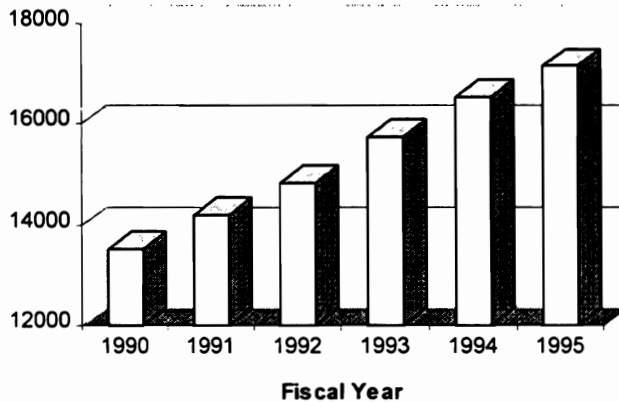
The number of retired members and beneficiaries has continued to increase, from 10,604 in 1990 to 11,962 in 1995.

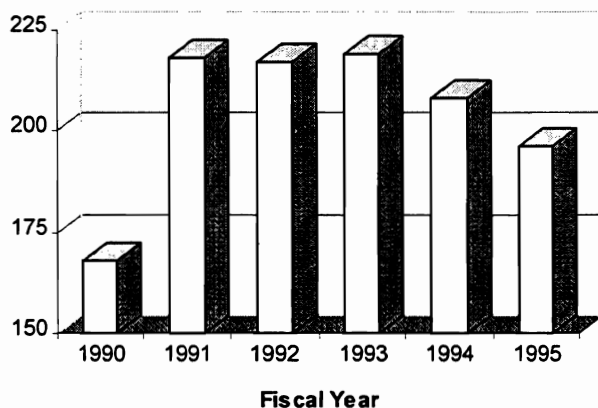
Retired Membership



The aggregate average annual allowance of retired LACERS members increased from \$13,512 in 1990 to \$17,142 in 1995.

Average Retiree's Annual Allowance



Average Monthly Health Subsidy

CERS also provides a retiree medical subsidy. This benefit is available to retired members who have at least ten years of service and are age 55 or older. The benefit formula provides for four percent of the maximum subsidy amount for each whole year of service. Once a member reaches age 65 the subsidy formula changes for any member who is eligible for both Parts A and B of Medicare. The high rate of health insurance costs experienced in the area has been offset by cost containment measures. Thus the average medical subsidy premium has not increased over the last four years following a period of high growth. The current average monthly subsidy in 1995 was \$196.

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INVESTMENTS SECTION

Retirement
System Assets
as of
June 30, 1995

DOMESTIC HOLDINGS

As of Jun. 30, 1995

Source: Northern Trust Co.

Description	Shares	Book	Market
COMMON STOCK			
ADC TELECOMMUNICATIONS COM	77,700	\$ 2,400,489.00	\$ 2,777,775.00
AMR CORP COM	112,452	6,991,203.00	8,391,731.00
ABBOTT LAB COM	233,242	5,009,635.00	9,446,301.00
ACTAVA GROUP INC COM	250,000	2,706,099.00	3,281,250.00
AK STL HLDG CORP COM STK PAR \$0.01	96,300	2,184,200.00	2,624,175.00
ACE LTD ORD SH COM	316,700	8,921,927.00	9,184,300.00
AT & T CORP COM STK	456,945	19,222,158.00	24,218,085.00
ADVANCED MICRO DEVICES INC COM	31,056	806,625.40	1,133,544.00
AETNA LIFE & CAS CO COM	33,145	1,523,735.00	2,083,992.00
AHMANSON H F & CO COM	34,087	596,856.80	749,914.00
AIR PROD & CHEM INC COM	204,285	8,561,314.00	11,388,889.00
AIRTOUCH COMMUNICATIONS INC COM	267,394	5,771,497.00	7,620,729.00
ALBERMARLE CORP COM	50	640.32	781.25
ALBERTO-CULVER CO CL B COM	7,657	168,394.80	231,624.30
ALBERTSON S INC COM	77,726	1,435,053.00	2,302,633.00
ALCAN ALUM LTD (NEW) COM	65,600	1,288,684.00	1,992,600.00
ALCO STD CORP COM	15,015	598,690.80	1,199,323.00
ALEXANDER & ALEXANDER SERVICES INC COM	14,400	333,593.50	343,800.00
ALLERGAN LIGAND RTS	1	3.06	1.63
ALLERGAN INC COM	18,074	391,389.90	490,257.30
ALLIED SIGNAL INC COM	171,509	5,275,474.00	7,632,151.00
ALLTEL CORP COM	43,593	1,346,604.00	1,106,172.00
ALLTRISTA CORP COM	75	1,195.27	1,443.75
ALTERNATIVE RES CORP COM	60,000	1,131,875.00	1,590,000.00
ALUM CO AMER COM	126,412	3,951,974.00	6,336,402.00
ALZA CORP COM	22,704	556,856.20	530,706.00
AMAX GOLD INC COM	23	173.52	126.50
AMDAHL CORP COM	35,109	340,004.20	390,587.60
AMERCO COM	50,000	1,044,277.00	975,000.00
AMERADA HESS CORP COM	79,773	3,849,684.00	3,898,905.00
AMER BRANDS INC COM	56,078	1,889,876.00	2,229,101.00
AMER ELEC PWR CO INC COM	52,753	1,467,088.00	1,852,949.00
AMER EXPRESS CO COM	142,692	3,231,687.00	5,029,893.00
AMER GEN CORP COM	60,923	1,374,918.00	2,056,151.00
AMER GREETINGS CORP CL A COM	21,331	644,277.00	626,598.10
AMER HOME PROD CORP COM	88,727	5,134,867.00	6,865,252.00
AMER INTL GROUP INC COM	91,692	5,773,644.00	10,452,888.00
AMER MED RESPONSE INC COM	50,000	1,274,725.00	1,400,000.00
AMER RADIO SYS CORP CL A COM	80,700	1,966,164.00	1,835,925.00
AMER STD COS INC DEL COM	88,000	1,755,068.00	2,409,000.00
AMER STORES CO COM	40,695	755,433.80	1,144,547.00
AMERITECH CORP COM	317,160	12,112,299.00	13,955,040.00
AMGEN INC COM	39,060	1,598,472.00	3,141,869.00
AMOCO CORP COM	143,733	7,209,853.00	9,576,211.00
AMP INC COM	61,096	1,620,462.00	2,581,306.00
ANADARKO PETRO CORP COM	36,100	1,550,160.00	1,561,325.00
ANDREW CORP COM	10,594	227,712.50	613,127.80
ANHEUSER-BUSCH COMPANIES INC COM STK	77,242	3,479,799.00	4,393,139.00
APPLE COMPUTER INC COM	34,773	1,004,963.00	1,614,754.00
APPLIED MATERIALS INC COM	77,245	3,430,409.00	6,691,348.00
ARCH COMMUNICATIONS GROUP INC COM	70,000	1,365,625.00	1,557,500.00

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Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
ARCHER-DANIELS-MIDLAND CO COM	151,683	\$ 1,999,674.00	\$ 2,825,096.00
ARMCO INC COM	21,530	117,263.60	145,327.50
ARMSTRONG WORLD IND INC COM	10,757	484,538.10	539,194.60
ASARCO INC COM	13,442	305,590.20	409,981.00
ATLC RICHFIELD CO COM	46,485	5,011,209.00	5,101,729.00
AUTODESK INC COM	13,322	338,765.10	572,846.00
AUTO DATA PROCESSING INC COM	40,947	1,530,242.00	2,574,543.00
AUTOMOTIVE INDS HLDG INC COM	60,000	1,678,225.00	1,627,500.00
AVERY DENNISON CORP COM	63,743	2,035,386.00	2,549,720.00
AVIALL INC COM	1,075	11,645.21	9,003.13
AVON PROD INC COM	20,755	1,014,075.00	1,390,585.00
BJ SVCS CO COM	70,000	1,531,442.00	1,592,500.00
BAKER HUGHES INC COM	38,741	850,402.10	794,190.50
BALL CORP COM	10,713	300,563.10	373,615.90
BALLY ENTMT CORP COM	11,866	80,078.21	145,358.50
BALT GAS & ELEC CO COM	42,478	962,184.30	1,061,950.00
BANC ONE CORP COMMON STOCK NO PAR	117,588	3,708,071.00	3,792,213.00
BANK BSTN CORP COM	30,928	525,123.90	1,159,800.00
BANK N.Y. CO INC COM	105,634	4,039,946.00	4,264,973.00
BANKAMERICA CORP COM	107,435	4,725,882.00	5,653,767.00
BANKERS TR N.Y. CORP COM	22,826	1,581,017.00	1,415,212.00
BANTA CORP COMMON STOCK \$.10 PAR	19,800	596,005.40	658,350.00
BARD C R INC CAP	221,663	5,628,748.00	6,649,890.00
BARNES & NOBLE COM	65,000	1,704,094.00	2,210,000.00
BARNETT BKS INC COM	28,003	1,041,078.00	1,438,654.00
BARRETT BUSINESS SVCS INC COM	143,100	1,599,332.00	1,967,625.00
BASSETT FURNITURE IND INC COM	3,160	83,721.73	88,480.00
BAUSCH & LOMB INC COM	17,603	720,846.10	730,524.50
BAXTER INTL INC COM	82,258	2,102,368.00	2,992,135.00
BAYBANKS INC COM	21,200	1,345,543.00	1,680,100.00
BAY NETWORKS INC COM	70,000	2,591,683.00	2,896,250.00
BECTON DICKINSON & CO COM	20,666	629,553.50	1,203,795.00
BELL ATLC CORP COM	126,188	5,688,566.00	7,066,528.00
BELLSOUTH CORP COM STK	164,807	8,549,936.00	10,465,245.00
BEMIS CO INC COM	17,399	377,066.00	452,374.00
BENEFICIAL CORP COM	15,079	516,151.00	663,476.00
BERRY PETRO CO CL A COM	266,600	2,868,771.00	2,599,350.00
BETHLEHEM STEEL CORP COM	31,771	521,779.30	516,278.80
BEVERLY ENTERPRISES INC COM	97,483	1,204,807.00	1,206,352.00
BIOMET INC COM	150,932	2,336,945.00	2,339,446.00
BLACK & DECKER CORP COM	272,357	5,540,398.00	8,409,022.00
BLOCK H & R INC COM	91,816	3,201,827.00	3,764,456.00
BOATMEN S BANCSHARES INC COM	35,135	1,119,842.00	1,238,509.00
BOEING CO CAP	317,637	12,934,830.00	19,892,017.00
BOISE CASCADE CORP COM	9,833	343,464.50	398,236.50
BSTN SCIENTIFIC CORP COM	123,962	2,226,750.00	3,951,289.00
BRIGGS & STRATTON CORP CAP	7,900	188,356.70	272,550.00
BRISTOL MYERS SQUIBB CO COM	148,338	7,536,656.00	10,105,526.00
BROWN-FORMAN INC CL B NON-VTG COM	20,287	523,337.00	677,078.60
BROWN GROUP INC COM	4,642	165,022.80	105,605.50
BROWNING-FERRIS IND INC COM	60,374	1,599,630.00	2,173,464.00
/BRUNO S INC COM	19,172	151,165.70	222,874.50
BRUNSWICK CORP COM	27,445	395,011.60	466,565.00
BURLINGTON NTHN INC	25,630	966,170.60	1,624,301.00
BURL RES INC COM	37,491	1,678,192.00	1,382,481.00
BUSH BOAKE ALLEN INC COM	113,000	2,276,543.00	3,432,375.00

Description	Shares		Book	Market
COMMON STOCK (CONT'D)				
CIGNA CORP COM	20,351	\$	1,150,020.00	\$ 1,579,746.00
REORG/CBS INC COM EXCH FOR CASH RATE \$82.065/SHS	17,865		767,262.30	1,196,955.00
CABLETRON SYS INC COM	16,641		881,805.60	886,133.30
CPC INTL INC COM	88,434		4,127,203.00	5,460,800.00
CSX CORP COM	30,156		1,620,200.00	2,265,470.00
CUC INTL INC COM	95,015		3,369,217.00	4,002,507.00
CAMPBELL SOUP CO CAP	72,379		2,354,180.00	3,546,571.00
CANADIAN PACIFIC LTD ORD CAP \$5 PAR REG	318,300		5,626,089.00	5,530,463.00
CAP CITIES ABC INC COM	70,140		3,763,603.00	7,575,120.00
CARMIKE CINEMAS INC CL A COM	50,000		1,192,250.00	1,212,500.00
CAROLINA PWR & LT CO COM	46,750		1,136,372.00	1,414,188.00
CARNIVAL CORP CL A COM	385,700		8,928,678.00	8,967,525.00
CASCADE COMMUNICATIONS CORP COM	57,000		1,920,677.00	2,465,250.00
CASE CORP COM	234,800		4,558,881.00	6,985,300.00
CATERPILLAR INC COM	58,738		2,817,054.00	3,773,917.00
CENTEX CORP COM	8,527		226,358.00	240,887.80
CENT & S. W. CORP COM	54,535		1,223,342.00	1,431,544.00
CERIDIAN CORP COM	12,068		267,863.20	445,007.50
CHAMPION INTL CORP COM	27,964		879,755.00	1,457,624.00
CHARMING SHOPPES INC COM	24,944		271,898.60	130,956.00
CHARTER 1 FINCL INC COM	60,000		1,567,500.00	1,470,000.00
CHARTER MED CORP NEW COM	32,200		604,454.10	523,250.00
CHASE MANHATTAN CORP COM	52,613		1,392,553.00	2,472,811.00
CHEM BKG CORP COM N.P	71,684		2,114,964.00	3,387,069.00
CHEVRON CORP COM	188,594		8,846,050.00	8,746,047.00
CHRYSLER CORP COM	237,743		8,448,847.00	11,381,946.00
CHUBB CORP COM	112,593		8,616,677.00	9,021,514.00
CIN MILACRON INC COM	9,800		175,873.90	264,600.00
CINERGY CORP COM	42,748		952,131.60	1,122,135.00
CIRCUIT CY STORES INC COM	72,742		1,521,654.00	2,300,466.00
CISCO SYS INC COM	76,764		2,125,559.00	3,881,341.00
CITICORP COM	113,699		3,826,266.00	6,580,330.00
CITY NATL CORP COM	110,000		1,157,674.00	1,251,250.00
CLOROX CO COM	15,501		655,305.00	1,011,440.00
COASTAL CORP COM	30,632		833,797.60	930,447.00
COCA COLA CO COM	405,852		9,713,626.00	25,873,065.00
COLGATE-PALMOLIVE CO COM	79,616		3,830,851.00	5,821,920.00
COLUMBIA GAS SYS INC COM FILED CHAPTER 11 BANKRUPT	11,541		323,757.70	366,426.80
COLUMBIA/HCA HEALTHCARE CORP COM	122,883		4,737,278.00	5,314,690.00
COMCAST CORP CL A SPL COM	191,286		3,502,318.00	3,550,651.00
COMCAST CORP CL A COM	7,700		124,997.50	140,039.90
CMNTY PSYCHIATRIC CTR COM	12,500		159,374.30	140,625.00
COMPAQ COMPUTER CORP COM	74,069		1,811,322.00	3,351,622.00
COMPUTER ASSOC INTL INC COM	104,301		5,002,324.00	7,040,318.00
COMPUTER SCI CORP COM	15,138		530,001.00	860,973.80
CONAGRA INC COM	72,351		1,906,483.00	2,523,241.00
CONRAIL INC COM	23,656		1,138,044.00	1,315,865.00
CONS EDISON CO N.Y. INC COM	66,778		1,709,605.00	1,969,951.00
CONS FREIGHTWAYS INC COM	9,995		229,851.30	219,890.00
CONS NAT GAS CO COM	26,626		1,089,708.00	998,475.00
CONS STORES CORP COM	160,500		2,892,589.00	3,350,438.00
CONSORCIO G GRUPO DINA	229,500		2,310,844.00	459,000.00
COOPER IND INC COM	33,000		1,209,995.00	1,303,500.00
COOPER TIRE & RUBBER CO COM, NO PAR	23,247		611,198.90	566,645.60
COPART INC COM STK	60,000		1,182,646.00	1,365,000.00
COORS ADOLPH CO CL B NON-VTG COM	9,785		183,802.40	160,229.40

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Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
ADR BUSINESS OBJECTS SA SPONSORED ADR	50,000	\$ 1,531,250.00	\$ 1,650,000.00
CORESTATES FNCL CORP COM	40,820	1,110,045.00	1,413,393.00
CORNING INC COM	65,758	1,870,919.00	2,153,575.00
COX COMMUNICATIONS INC NEW CL A	4,244	70,934.82	82,227.50
CRANE CO COM	7,854	156,663.20	284,707.50
CRAY RESCH INC COM	7,353	185,043.20	179,229.40
CROMPTON & KNOWLES CORP COM	128,400	2,048,612.00	1,813,650.00
CROWN CORK & SEAL CO INC COM	20,319	773,891.90	1,018,490.00
CUMMINS ENGINE CO INC COM	11,261	473,735.10	491,261.10
CYPRUS AMAX MIN CO COM STK	28,284	709,113.40	806,094.00
CYTEC IND COM	28	385.53	1,148.00
DSC COMMUNICATIONS CORP COM	31,742	969,965.10	1,476,003.00
DANA CORP COM	28,760	657,645.50	823,255.00
DARDEN RESTAURANTS INC COM	46,410	391,623.60	504,708.80
DATA GEN CORP COM	9,174	78,767.59	88,299.75
DAVIDSON & ASSOC INC COM	55,000	1,750,469.00	2,186,250.00
DAYTON-HUDSON CORP COM	87,628	5,512,062.00	6,287,309.00
DEAN W. DISCOVER & CO COM	262,961	9,769,166.00	12,359,167.00
DEERE & CO COM	24,463	1,858,643.00	2,094,644.00
DELTA AIR LINES INC COM	14,890	861,124.30	1,098,138.00
DELUXE CORP COM	23,615	779,381.70	782,246.90
DENTSPLY INTL INC NEW COM	8,800	300,329.70	316,800.00
DET EDISON CO COM	42,236	1,034,224.00	1,245,962.00
DEVRY INC DEL COM	160,000	2,150,420.00	3,200,000.00
DIAL CORP ARIZ COM	28,110	540,963.00	695,722.50
DIALOGIC CORP COM	82,000	2,017,608.00	1,455,500.00
DIEBOLD INC COM	17,500	735,469.50	761,250.00
DIGITAL EQUIP CORP COM	40,589	1,290,598.00	1,654,002.00
DILLARD DEPT STORES INC CL A COM	32,821	1,141,682.00	964,116.90
WALT DISNEY COMPANY COM STK	151,211	4,476,795.00	8,392,211.00
DOLLAR GEN CORP COM	85,000	1,955,033.00	2,688,125.00
DOMINION RES INC VA COM	48,336	1,685,394.00	1,764,264.00
DONNELLEY R R & SONS CO COM	45,135	1,086,788.00	1,624,860.00
DOVER CORP COM	16,272	677,594.10	1,183,788.00
DOW CHEM CO COM	80,114	4,320,039.00	5,758,194.00
DOW JONES & CO INC COM	29,546	1,041,702.00	1,089,509.00
DRESSER IND INC COM	52,408	1,159,058.00	1,166,078.00
DU PONT E I DE NEMOURS & CO COM	266,757	14,340,505.00	18,339,544.00
DUKE PWR CO COM	59,404	1,782,750.00	2,465,266.00
DUN & BRADSTREET CORP COM	49,939	2,584,108.00	2,621,798.00
DURACELL INTL INC COM	46,400	2,018,770.00	2,006,800.00
E G & G INC COM	16,700	347,590.80	279,725.00
EMC CORP MASS COM	507,400	8,376,125.00	12,304,450.00
ECKERD JACK CORP DEL COM STK	62,400	1,859,445.00	1,996,800.00
EASTN ENTERPRISES COM	4,100	112,496.90	122,487.50
EASTMAN CHEM CO COM	24,454	1,010,318.00	1,455,013.00
EASTMAN KODAK CO COM	97,679	3,762,215.00	5,921,789.00
EATON CORP COM	21,960	808,411.50	1,276,425.00
ECHLIN INC COM	29,132	821,565.50	1,012,337.00
ECHO BAY MINES LTD COM	32,383	439,406.90	291,447.00
ECOLAB INC COM	17,900	257,413.20	438,550.00
EL PASO NAT GAS CO COM NEW	237,317	9,341,564.00	6,763,535.00
ELECTR FOR IMAGING INC COM	33,000	1,494,547.00	1,724,250.00
EMERSON ELEC CO COM	109,450	5,567,240.00	7,825,675.00
ENCORE WIRE CORP COM	80,500	1,330,633.00	885,500.00
ENGELHARD CORP COM	28,569	402,183.30	1,224,896.00

Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
ENRON CORP COM	71,501	\$ 1,531,542.00	\$ 2,511,473.00
ENSERCH CORP COM	18,539	305,127.50	317,480.40
1ST COLONY CORP COM	234,485	5,572,487.00	5,627,640.00
FMC CORP COM (NEW)	10,688	504,576.60	718,768.00
EXXON CORP COM	359,187	19,352,700.00	25,367,582.00
FEI CO COM STK	125,000	1,417,370.00	1,625,000.00
F P L GROUP INC COM	53,836	1,712,735.00	2,079,416.00
FEDDERS CORP CL A COM STK	5,312	29,482.17	23,240.00
FED EXPRESS CORP COM	16,381	1,085,499.00	995,145.80
FHLMC VTG COM	157,507	7,102,292.00	10,828,606.00
F.N.M.A. COM	175,516	9,759,048.00	16,586,262.00
FED PAPER BRD CO INC COM	13,098	350,329.90	463,341.80
FEDT DEPT STORES INC DEL COM	120,500	2,638,977.00	3,102,875.00
1ST CHGO CORP COM	25,493	936,411.90	1,526,393.00
FIRST FINCL MGMT CORP COM	47,700	3,999,607.00	4,078,350.00
1ST FIDELITY BANCORP COM	23,756	982,174.50	1,401,604.00
1ST INTERSTATE BANCORP COM	22,042	949,529.70	1,768,871.00
1ST MISS CORP COM	5,957	86,294.21	203,282.60
FIRST DATA CORP COM	32,564	1,616,459.00	1,852,078.00
1ST UN CORP COM	50,772	1,823,345.00	2,297,433.00
FIRSTFED MICH CORP COM	42,900	968,879.70	1,201,200.00
FISERV INC COM	80,000	1,735,109.00	2,250,000.00
FLEETWOOD ENTERPRISES INC COM	13,500	231,299.50	266,625.00
FLEMING COMPANIES INC COM	10,290	301,774.60	272,685.00
FLEET FINCL GROUP INC COM	39,469	1,143,930.00	1,465,287.00
FLUOR CORP COM	24,305	1,016,236.00	1,263,860.00
FORD MTR CO COM	339,973	7,808,935.00	10,114,197.00
FOSTER WHEELER CORP COM	10,173	255,445.30	358,598.30
FRITZ COS INC COM	57,500	2,013,485.00	3,374,503.00
FRUIT LOOM CL A COM	17,607	475,725.80	371,947.90
GTE CORP COM	277,385	7,075,539.00	9,465,763.00
GANNETT CO INC COM	42,078	1,934,115.00	2,282,732.00
GAP INC COM	41,809	1,493,761.00	1,458,089.00
GARDNER DENVER MACH	256	2,281.79	4,480.00
GC COMPANIES INC COM	70	2,312.49	2,292.50
GEERLINGS & WADE INC COM	100,000	1,333,154.00	1,662,500.00
GEN DYNAMICS CORP COM	17,720	571,422.60	786,325.00
GENERAL ELECTRIC CO COM STK \$2.50 PAR	602,039	20,674,266.00	33,939,949.00
GEN MILLS INC COM	46,410	1,865,573.00	2,384,314.00
GENERAL MOTORS CORP COMMON STOCK	349,336	14,871,876.00	16,375,125.
GEN MTR CORP CL E COM	55,500	1,591,536.00	2,414,250.00
GEN NUTRITION COS COM	60,000	2,110,282.00	2,107,500.00
GEN PUB UTILS CORP COM	26,749	802,782.50	795,782.80
GEN RE CORP COM	36,913	3,652,223.00	4,941,728.00
GEN SIGNAL CORP COM	12,834	373,414.50	510,151.50
GENUINE PT CO COM	35,600	1,026,416.00	1,348,350.00
GA GULF CORP COM (NEW)	213,800	5,184,582.00	6,975,225.00
GEORGIA-PACIFIC CORP COM	25,640	1,373,275.00	2,217,860.00
GIANT FOOD INC CL A COM	17,373	350,791.60	492,958.90
GIDDINGS & LEWIS INC WIS COM	8,129	183,719.50	145,305.90
GILLETTE CO COM	187,652	6,169,596.00	8,350,514.00
ADR GLAXO WELLCOME PLC SPONSORED	281,200	5,586,194.00	6,854,250.00
GLENAYRE TECHNOLOGIES INC COM	82,500	1,798,337.00	4,207,500.00
GOLDEN W. FNCL CORP COM	176,008	5,136,456.00	8,294,377.00
GOODRICH B F CO COM	6,700	334,248.90	359,287.50
GOODYEAR TIRE & RUBBER CO COM	44,624	1,328,254.00	1,835,162.00

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Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
ENTERGY CORP NEW COM	66,506	\$ 2,340,501.00	\$ 1,604,457.00
GRACE W R & CO COM	161,003	7,659,365.00	9,881,559.00
GRAINGER W W INC COM	14,675	660,509.40	862,156.30
GREAT ATLC & PAC TEA CO INC COM	9,996	281,460.60	263,644.50
GREAT LAKES CHEM CORP COM	20,285	1,259,782.00	1,222,171.00
GREAT WESTN FNCL CORP CAP	39,100	683,084.70	806,437.50
GULF S. MED SUP INC COM STK	53,200	716,534.70	1,276,800.00
HBO & CO COM	75,000	2,483,859.00	4,087,500.00
HALLIBURTON CO COM	32,627	1,083,907.00	1,166,415.00
HANDLEMAN CO COM	7,400	108,210.10	71,225.00
HARCOURT GEN INC COM	75,436	2,564,473.00	3,206,030.00
HARLAND JOHN H CO COM VTG	8,565	194,829.90	195,924.40
HARNISCHFEGER IND INC COM	11,250	260,097.80	389,531.30
HARRIS COMPUTER SYS CORP	140	821.84	1,925.00
HARRIS CORP COM	11,600	416,615.10	598,850.00
HARTMARX CORP COM	400	11,204.00	2,000.00
HASBRO INC COM	123,916	3,945,915.00	3,934,333.00
HEALTHPLAN SVCS CORP COM	70,000	1,063,125.00	1,058,750.00
HEINZ H J CO COM	72,766	2,307,942.00	3,228,991.00
HELMERICH & PAYNE INC COM	8,200	269,727.10	241,900.00
HEASURE INC COM	215,000	1,497,248.00	1,773,750.00
HENRY JACK & ASSOC INC COM	165,700	1,616,094.00	2,423,363.00
HERCULES INC VTG COM	79,996	2,896,593.00	3,899,805.00
HERSHEY FOODS CORP COM	25,276	987,848.00	1,396,499.00
HEWLETT-PACKARD CO COM	146,768	5,538,915.00	10,934,216.00
HILTON HOTELS CORP COM	14,566	677,407.80	1,023,262.00
HOME DEPOT INC COM	130,570	4,782,114.00	5,320,728.00
HOMESTAKE MNG CO CAP	39,568	702,312.30	647,926.00
HONEYWELL INC COM	64,670	1,800,546.00	2,788,894.00
HOST MARRIOTT CORP COM STK	175,000	1,896,308.00	1,859,375.00
HOUGHTON MIFFLIN CO COM	40,800	1,731,901.00	2,152,200.00
HSEHD INTL INC COM	27,985	796,976.60	1,385,258.00
HSTN IND INC COM	37,780	1,252,079.00	1,591,483.00
HUBCO INC COM	32,910	450,032.10	588,266.30
HYPERION SOFTWARE CORP COM	50,000	2,186,332.00	2,262,500.00
ASHLAND INC COM	17,749	643,004.00	623,433.60
ITT CORP COM	31,590	2,285,225.00	3,711,825.00
ILL TOOL WK INC COM	32,558	964,696.10	1,790,690.00
INCO LTD COM	34,378	912,544.00	971,178.50
INFINITY BROADCASTING CORP CL A COM	67,500	918,333.30	2,252,813.00
INGERSOLL-RAND CO COM	30,197	1,082,740.00	1,155,035.00
INLAND STEEL IND INC COM VALUE	11,615	389,217.30	354,257.50
INTEL CORP CAP	431,840	12,775,793.00	27,340,654.00
INTERGRAPH CORP COM	7,834	76,545.27	87,153.25
INTL BUSINESS MACH CORP CAP	211,314	16,763,777.00	20,286,144.00
INTL FLAVORS & FRAGRANCES INC COM	74,668	3,276,404.00	3,714,733.00
INTL PAPER CO COM	35,616	2,186,226.00	3,054,072.00
INTERNEURON PHARMACEUTICALS INC COM	302,700	1,822,447.00	3,140,513.00
INTERPUBLIC GROUP COMPANIES INC COM	21,122	658,306.00	792,075.00
ITRON INC COM	35,500	674,500.00	1,109,375.00
JAN BELL MARKETING INC WT VOID AFTER DEC16 1998	1,873	0.00	1.00
JAMES RIV CORP VA COM	127,000	3,228,453.00	3,508,375.00
JEFFERSON-PILOT CORP COM	14,437	495,224.90	790,425.80
JOHNSON CTL INC COM	11,100	517,825.80	627,150.00
JOHNSON & JOHNSON COM	251,008	9,394,341.00	16,943,040.00
JOSTENS INC COM	11,700	328,147.60	248,625.00

Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
KLA INSTR CORP COM	31,900	\$ 2,036,546.00	\$ 2,464,275.00
KAUFMAN & BROAD HOME CORP COM	8,653	109,057.30	125,468.50
KELLOGG CO COM	65,289	3,476,821.00	4,660,002.00
KERR-MC GEE CORP COM	14,480	628,628.70	778,300.00
KEYCORP NEW COM	67,014	2,070,405.00	2,102,564.00
KIMBERLY-CLARK CORP COM	46,528	2,106,070.00	2,785,864.00
KING WORLD PROD INC COM	50,035	1,882,991.00	2,026,418.00
KNIGHT-RIDDER INC COM STK	15,675	838,254.80	891,515.60
KROGER CO COM	33,569	675,177.80	902,166.90
LSI LOGIC CORP COM	76,000	1,749,621.00	2,973,500.00
LA QUINTA INNS INC COM	105,000	2,129,675.00	2,835,000.00
LAIDLAW INC CL-B NON VTG	64,297	565,617.60	610,821.50
LEHMAN BROS HLDGS INC COM	80	1,091.01	1,750.00
LIBERTY PPTY TR SH BEN INT	100,000	2,014,609.00	1,962,500.00
LILLY ELI & CO COM	84,909	4,994,100.00	6,665,357.00
LTD INC COM	105,720	2,218,431.00	2,325,840.00
LINCOLN NATL CORP COM	134,135	3,781,284.00	5,868,406.00
LIZ CLAIBORNE INC COM	24,101	733,551.40	512,146.30
LOCKHEED MARTIN CORP COM	150,519	4,070,203.00	9,501,512.00
LOEWS CORP COM	13,690	1,514,725.00	1,656,490.00
LONG DRUG STORES CORP COM	6,445	206,346.50	241,687.50
LORAL CORP COM	26,587	720,466.90	1,375,877.00
LOTUS DEV CORP COM	12,988	674,859.40	827,985.00
LOUISIANA LAND & EXPL CO CAP	9,139	337,744.70	362,132.90
LOUISIANA-PACIFIC CORP COM	31,407	719,371.60	820,507.90
LOWES COS INC COM	44,812	791,908.40	1,338,759.00
LUBY S CAFETERIAS INC COM	7,888	176,727.10	158,746.00
M/A-COM INC COM	8,058	57,689.74	94,681.50
MBNA CORP COM	42,250	991,380.90	1,425,938.00
MCI COMMUNICATIONS CORP COM	225,357	5,642,436.00	4,957,854.00
MALLINCKRODT GROUP INC COM	22,143	666,983.50	786,076.50
MANPOWER INC WIS COM	114,800	3,335,882.00	2,927,400.00
MANOR CARE INC COM	17,587	335,743.50	512,221.40
MAPCO INC COM	111,500	6,058,345.00	6,467,000.00
MARSH & MC LENNAN CO'S INC	36,051	2,846,435.00	2,924,637.00
MARRIOTT INTL COM	100,649	2,633,064.00	3,610,783.00
MASCO CORP COM	292,312	8,409,150.00	7,892,424.00
MATTEL INC COM	63,778	1,213,010.00	1,674,173.00
MAY DEPT STORES CO COM	71,331	2,180,740.00	2,969,153.00
MAYTAG CORP COM	30,506	541,827.00	488,096.00
MC CORMICK & CO INC COM NON-VTG	100,500	2,194,173.00	2,160,750.00
MC DERMOTT INTL INC COM \$1 PAR	281,984	6,265,681.00	6,802,864.00
MC DONALDS CORP COM	303,860	7,110,850.00	11,888,523.00
MC DONNELL DOUGLAS CORP COM	72,573	2,810,094.00	5,569,978.00
MCGRAW HILL COMPANIES INC COM	14,519	912,842.30	1,101,629.00
MCKESSON CORP NEW COM	2,400	75,600.00	112,200.00
MEAD CORP COM	16,953	649,213.40	1,006,584.00
MEDTRONIC INC COM	78,208	4,004,896.00	6,031,792.00
MEDITRUST SH BEN INT	195,400	5,883,503.00	6,668,025.00
MELLON BANK CORP COM	41,478	1,173,132.00	1,726,522.00
MELVILLE CORP COM	31,254	1,260,919.00	1,070,450.00
MENTOR GRAPHICS CORP COM	125,000	1,616,309.00	2,156,250.00
MERCANTILE STORES CO INC COM	11,107	467,680.30	516,475.50
MERCK & CO INC COM	458,278	13,305,579.00	22,512,907.00
MEREDITH CORP COM	7,622	160,497.40	193,408.30
MERIX CORP COM	115,000	2,807,088.00	3,478,750.00

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Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
K MART CORP COM	274,560	\$ 4,377,119.00	\$ 4,015,440.00
MERRILL LYNCH & CO INC COM	51,980	1,449,524.00	2,728,950.00
MICROSOFT CORP COM	224,099	13,510,917.00	20,252,947.00
MICRON TECH INC COM	108,676	2,677,415.00	5,977,180.00
MILLIPORE CORP COM	8,100	223,460.00	546,750.00
MINN MNG & MFG CO COM	122,372	6,353,015.00	7,021,094.00
MIRAGE RESORTS INC COM	70,600	1,921,705.00	2,162,125.00
MOBIL CORP COM	115,479	7,935,683.00	11,085,984.00
MOLEX INC CL A COM	85,187	2,507,824.00	3,109,326.00
MONSANTO CO COM	68,351	5,235,801.00	6,160,134.00
MOORE CORP LTD - CORP MOORE LTEE COM	27,368	647,859.80	605,517.00
MORGAN J P & CO INC COM	54,961	2,893,395.00	3,854,140.00
MORRISON-KNUDSEN INC COM	7,700	183,632.40	51,975.00
MORTON INTL INC IND COM	42,208	1,269,127.00	1,234,584.00
MOTOROLA INC COM	168,548	4,860,833.00	11,313,785.00
BANCORP INC COM	45,683	1,140,434.00	1,461,856.00
N.L IND INC COM (NEW)	2,900	61,945.37	38,787.50
NACCO IND INC CL A COM	3,100	161,008.50	185,612.50
NALCO CHEM CO COM	19,659	615,482.30	715,096.10
NATL CY CORP COM	43,202	1,177,506.00	1,269,059.00
NATL SEMICONDUCTOR CORP COM	33,468	629,198.50	928,737.00
NATL SERVICE IND INC COM	13,361	355,866.40	385,798.90
NATIONSBANK CORP COM	187,075	9,170,418.00	10,031,897.00
NAVISTAR INTL CORP NEW COM	18,147	328,464.30	274,473.40
NEW WORLD PWR CORP COM NEW	318,800	3,109,519.00	1,673,700.00
N.Y. TIMES CO CL A COM	29,369	838,432.10	690,171.50
NEWELL CO COM	171,664	3,501,785.00	4,184,310.00
NEWMONT MNG CORP COM	25,414	923,139.90	1,064,211.00
NIAGARA MOHAWK PWR CORP COM	40,392	830,531.60	590,733.00
NICOR INC COM	15,407	410,400.50	414,063.10
NIKE INC CL B COM	79,029	4,546,582.00	6,638,436.00
NORAM ENERGY CORP COM	33,200	453,641.20	215,800.00
NORDSTROM INC COM	23,336	844,379.50	965,527.00
NORFOLK SO CORP COM	39,762	1,866,090.00	2,678,965.00
NTHN ST PWR CO MINN COM	18,973	723,974.00	875,129.60
NTHN TELECOM LTD COM	73,008	2,201,516.00	2,664,792.00
NORTHROP GRUMAN CORP COM	13,470	449,191.00	702,123.80
NORTON MCNAUGHTON INC COM	20,000	352,156.30	310,000.00
NORWEST CORP COM	167,948	3,281,300.00	4,828,505.00
NOVELL INC COM	106,601	1,995,954.00	2,125,304.00
NUCOR CORP COM	25,362	730,503.00	1,356,867.00
NYNEX CORP COM	121,045	4,385,122.00	4,872,061.00
OCCIDENTAL PETRO CORP COM	90,174	2,008,514.00	2,062,730.00
OGDEN CORP COM	13,816	321,546.90	302,225.00
OHIO EDN CO COM	43,658	844,179.90	987,762.30
ON ASSIGNMENT INC COM	94,300	1,414,614.00	1,791,700.00
ONCORMED INC COM	168,500	1,142,905.00	1,369,063.00
ONCOR INC COM	500,000	2,595,550.00	3,031,000.00
ONEOK INC COM	6,752	113,357.70	144,324.00
ORACLE CORP COM	125,412	2,469,469.00	4,844,039.00
ORYX ENERGY CO COM	27,763	603,037.90	381,741.30
OUTBOARD MARINE CORP COM	105,562	2,011,430.00	2,071,654.00
OWENS CORNING FIBERGLASS CORP COM NEW	12,727	507,211.50	469,308.10
PECO ENERGY CO COM	64,209	1,557,181.00	1,773,774.00
PPG IND INC COM	224,568	7,841,058.00	9,628,353.00
PNC BNK CORP COM	66,949	1,549,124.00	1,765,780.00

Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
PAC ENTERPRISES COM	24,322	\$ 767,111.20	\$ 595,889.00
PAC GAS & ELEC CO COM	366,356	9,288,644.00	10,624,324.00
PAC TELESIS GROUP COM	122,731	3,090,545.00	3,283,054.00
PACIFICORP COM	81,937	1,502,188.00	1,536,319.00
PALL CORP COM	127,697	2,213,648.00	2,841,258.00
PANHANDLE EASTN CORP COM	40,998	793,686.40	999,326.30
PARKER-HANNIFIN CORP COM	20,688	566,445.20	749,940.00
PAYCHEX INC COM	90,000	2,131,206.00	3,262,500.00
PEAK TECHNOLOGIES GROUP INC COM STK	59,500	1,421,938.00	1,636,250.00
PENNEY J.C CO INC COM	67,926	2,409,025.00	3,260,448.00
PENNZOIL CO COM	12,752	835,192.20	600,938.00
PEOPLES ENERGY CORP COM	10,056	258,108.30	260,199.00
PEOPLESOFT INC COM	48,500	2,605,002.00	2,631,125.00
PEP BOYS-MANNY MOE & JACK COM	17,611	328,157.00	471,094.30
PEPSICO INC COM	322,127	10,328,691.00	14,656,779.00
PERKIN-ELMER CORP COM	32,175	918,644.10	1,138,191.00
ADR PETRO GEO SERVICES	115,000	2,290,004.00	3,306,250.00
PFIZER INC COM	140,966	8,839,597.00	12,986,493.00
PHELPS DODGE CORP CAP	16,758	779,975.20	988,722.00
PHILIP MORRIS COMPANIES INC COM	456,627	18,860,360.00	33,961,633.00
PHILLIPS PETRO CO COM	75,284	1,823,762.00	2,512,604.00
PIONEER HI-BRED INTL INC COM	19,504	730,552.40	819,168.00
PITNEY BOWES INC COM	45,348	1,489,405.00	1,734,561.00
PITTSTON SERVICES GROUP COM	10,651	254,709.60	255,624.00
PLACER DOME INC COM	68,174	1,064,397.00	1,781,046.00
PLANAR SYS INC COM	118,000	2,334,355.00	2,625,500.00
POLAROID CORP COM	13,300	390,034.50	541,975.00
POTLATCH CORP COM	7,681	280,031.90	320,681.80
PRAXAIR INC COM	391,424	6,487,612.00	9,736,672.00
PRECISION CASTPARTS CORP COM	63,400	1,590,845.00	2,226,925.00
PREMARK INTL INC COM	50,684	2,030,984.00	2,629,233.00
PRICE/COSTCO INC COM STK	62,814	1,120,503.00	1,020,728.00
PROCTER & GAMBLE CO COM	244,482	10,591,221.00	17,572,144.00
PROMUS COS	104,623	4,572,820.00	4,080,297.00
PROTOCOL SYS INC COM	245,000	2,106,040.00	2,450,000.00
PROVIDIAN CORP COM	28,439	713,073.80	1,030,914.00
PUB SERVICE ENTERPRISE GROUP INC COM	72,038	1,971,763.00	1,999,055.00
PULTE CORP COM	7,300	177,208.20	204,400.00
QUAKER OATS CO COM	40,264	1,150,160.00	1,313,613.00
RJR NABISCO HLDGS CORP COM NEW	3,666	101,960.60	101,731.50
RALCORP HLDG INC COM	66	1,013.11	1,509.75
RALSTON-RALSTON PURINA GROUP	30,004	1,166,336.00	1,530,204.00
RATIONAL SOFTWARE CORP COM NEW	252,333	1,956,383.00	3,438,037.00
RAYCHEM CORP COM	61,410	2,284,749.00	2,348,933.00
RAYTHEON CO COM	89,680	5,594,211.00	6,961,410.00
RAYONIER INC COM	54,000	1,618,961.00	1,917,000.00
REEBOK INTL COM	25,186	808,157.20	856,324.00
REYNOLDS METALS CO COM	156,535	8,630,383.00	8,100,686.00
RITE AID CORP COM	170,705	4,177,511.00	4,374,316.00
RIVERWOOD INTL CORP COM	120,000	2,044,636.00	2,790,000.00
ROADWAY SERVICES INC COM	11,696	732,050.10	552,636.00
ROCKWELL INTL CORP COM	63,667	1,863,385.00	2,912,765.00
ROHM & HAAS CO COM	20,059	825,299.20	1,100,738.00
ROLLINS ENVIRONMENTAL SERVICES INC COM	7,400	95,101.93	35,150.00
ROWAN COMPANIES INC COM	20,877	179,863.00	169,625.60
ROYAL DUTCH PETE NY REG SH PAR N D GLDR	155,080	16,485,081.00	18,900,375.00

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Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
PACCAR INC COM	11,407	\$ 587,585.40	\$ 533,277.30
RUBBERMAID INC COM	46,258	1,180,099.00	1,283,660.00
RUSSELL CORP COM	10,890	296,245.40	313,087.50
RYAN S FAMILY STEAK HSES INC COM	11,855	89,703.13	93,358.13
RYDER SYS INC COM	21,300	364,873.70	508,537.50
SBC COMMUNICATIONS INC COM	173,640	5,105,634.00	8,269,605.00
SCE CORP COM	536,075	8,803,089.00	9,180,284.00
SPX CORP COM	1,800	64,722.69	20,475.00
SMC CORP COM	200,000	2,102,622.00	2,250,000.00
SAFECO CORP COM	17,947	1,033,573.00	1,030,822.00
SAFETY-KLEEN CORP COM	17,500	439,906.40	282,187.50
ST JUDE MED INC COM	13,500	408,557.80	676,687.50
ST PAUL COMPANIES INC COM	23,756	909,630.10	1,169,983.00
SALOMON INC COM	31,944	1,125,535.00	1,281,753.00
SANTA FE PAC GOLD CORP COM	36,472	465,076.80	442,223.00
SANTA FE ENERGY RES INC COM	24,477	221,772.70	232,531.50
REORG/SANTA FE CORP EXCH FOR BURL NTHN SANTE FE A	38,803	477,020.80	989,476.50
SARA LEE CORP COM	244,158	4,951,322.00	6,958,503.00
SCHERING-PLOUGH CORP COM	170,676	4,852,831.00	7,531,079.00
SCHLUMBERGER LTD COM	70,314	4,274,370.00	4,368,257.00
SCHULMAN A COM	70,000	1,734,500.00	2,012,500.00
SCHOLASTIC CORP COM	70,000	2,822,208.00	3,797,500.00
SCIENTIFIC-ATLANTA INC COM	19,680	240,923.30	432,960.00
#REORG/SCOTT PAPER CO COM EXCH KIMBERLY CLARK CORP	116,918	3,709,038.00	5,787,441.00
SEAGRAM CO LTD - LA COMPAGNIE SEAGRAM LTEE COM	107,334	2,628,237.00	3,716,440.00
SEARS ROEBUCK & CO COM	109,602	4,292,730.00	6,521,319.00
SENSORMATIC ELECTR CORP COM	77,200	1,486,760.00	2,740,600.00
SERVICE CORP INTL COM	114,301	2,751,191.00	3,614,769.00
SHARED MED SYS CORP COM	5,961	152,350.10	239,185.10
#REORG/SHAWMUT NATL CORP COM EXCH FLEET FNCL GROUP	35,498	827,495.40	1,131,499.00
SHERWIN-WILLIAMS CO COM	24,988	608,073.00	890,197.50
SHONEY S INC COM	12,105	240,305.90	142,233.80
SIGMA-ALDRICH CORP COM	14,360	519,132.50	705,435.00
SILICON GRAPHICS INC COM	131,874	3,700,625.00	5,258,476.00
SIRENA APPAREAL GROUP COM	145,000	1,105,625.00	1,196,250.00
SKYLINE CORP COM	2,088	33,738.21	37,845.00
ADR SMITHKLINE BEECHAM PLC EQTY UNIT	40,000	1,563,856.00	1,810,000.00
SNAP-ON INC COM	12,030	423,516.80	466,162.50
SOLA INTL INC COM	92,200	2,030,423.00	2,293,475.00
SONAT OFFSHORE DRILLING INC COM	89,100	2,532,057.00	2,561,625.00
SONAT INC COM	25,317	680,186.50	772,168.50
SOUTHERN CO COM STK	188,758	2,982,333.00	4,223,460.00
S.W. AIRL CO COM	353,030	7,233,224.00	8,428,591.00
SPRINGS IND INC CL A COM	4,900	197,498.00	182,525.00
SPRINT CORP COM	101,348	3,265,961.00	3,407,827.00
STANLEY WK COM	13,043	452,982.00	494,003.60
STONE CONTAINER CORP COM	26,880	516,740.30	571,200.00
STRATTEC SEC CORP COM	320	2,940.15	3,920.00
STRIDE RITE CORP COM	14,400	357,195.10	147,600.00
STUD LN MARKETING ASSN COM NEW VTG	76,700	3,031,664.00	3,595,313.00
SUN CO INC COM	188,808	5,352,530.00	5,168,619.00
SUN MICROSYSTEMS INC COM STK \$.00067 PAR	28,391	703,071.10	1,376,964.00
SUNDSTRAND CORP COM	38,700	1,924,804.00	2,312,325.00
SUNAMERICA INC COM	100,000	4,567,217.00	5,100,000.00
SUN TR BANKS INC COM	35,085	1,113,334.00	2,043,701.00
SUPER VALU INC COM	20,789	594,862.00	605,479.60

Description	Shares	Book	Market
COMMON STOCK (CONT'D)			
TCF FNCL CORP COM	60,000	\$ 2,234,055.00	\$ 2,850,000.00
TJX COS INC COM NEW	20,621	355,362.00	273,228.30
TRW INC COM	18,876	1,038,328.00	1,507,721.00
TANDEM COMPUTERS INC COM	33,708	421,358.10	543,541.50
TANDY CORP COM	19,444	658,159.40	1,008,658.00
TEKTRONIX INC COM	9,800	226,787.30	482,650.00
TELEDYNE INC COM	14,929	344,707.50	365,760.50
ADR TELE DE MEX SA CV L RPSTG SH ORD L	108,000	4,019,237.00	3,199,500.00
REORG/TELE COMMUNICATIONS INC CL A COM EXCH TELE	313,913	7,889,565.00	7,357,179.00
TEMPLE INLAND INC COM	16,669	525,675.30	793,861.10
TENET HEALTHCARE CORP COM	190,678	3,133,887.00	2,740,996.00
TENNECO INC COM	51,748	2,568,694.00	2,380,408.00
TERADYNE INC COM	43,000	1,897,796.00	2,811,125.00
TEXACO INC COM	72,765	4,875,589.00	4,775,203.00
TEX INSTR INC COM	26,678	1,294,836.00	3,571,517.00
TEX UTILS CO COM	64,885	2,269,062.00	2,230,422.00
TEXTRON INC COM	146,635	5,312,620.00	8,523,159.00
THOMAS & BETTS CORP COM	5,200	332,995.40	355,550.00
THREE COM CORP COMMON STOCK	79,000	2,308,311.00	5,293,000.00
THRUSTMASTER INC COM	148,000	1,245,974.00	1,271,912.00
TIME WARNER INC COM	209,618	5,702,973.00	8,646,743.00
TIMES MIRROR CO SER A NEW COM STK	36,397	834,753.40	868,978.40
TIMKEN CO COM	8,453	276,585.30	389,894.60
TITAN WHEEL INTL INC COM	135,000	3,272,708.00	3,476,250.00
TIVOLI SYS INC COM	32,000	1,189,730.00	1,017,984.00
TORCHMARK CORP COM	21,284	800,284.20	803,471.00
TOSCO CORP COM NEW	207,700	7,124,233.00	6,620,438.00
TOYS R US INC COM	83,941	3,054,639.00	2,455,274.00
TRANSAMERICA CORP COM	20,833	866,390.80	1,213,522.00
TRANSATLANTIC HLDGS INC COM	30,000	1,639,816.00	1,950,000.00
TREND-LINES INC CL A COM	88,300	1,195,989.00	1,324,500.00
TRAVELERS GROUP INC COM	94,367	2,483,145.00	4,128,556.00
TRIBUNE CO COM	19,155	904,604.20	1,175,638.00
TRINOVA CORP COM	8,700	250,789.90	304,500.00
TYCO INTL LTD COM	20,871	920,064.20	1,127,034.00
UNICOM CORP COM	61,497	1,929,701.00	1,637,358.00
U S DELIVERY SYS INC COM	75,000	1,716,095.00	1,968,750.00
USF & G CORP COM	26,422	384,453.70	429,357.50
U.S BANCORP COM	27,977	718,748.80	673,182.60
U.S AIR GROUP COM	16,709	146,507.00	194,242.10
USX-US STEEL GROUP COM	21,533	754,847.60	740,196.90
UST INC COM	60,007	1,227,765.00	1,785,208.00
ULTRAMAR CORP COM	249,500	6,338,645.00	6,299,875.00
ADR UNILEVER N V N.Y SH 4 GUILDERS PAR	46,121	4,154,936.00	6,001,495.00
UN CAMP CORP COM	19,994	876,254.30	1,157,153.00
UN CARBIDE CORP COM	43,508	950,305.20	1,457,518.00
UN ELEC CO COM	29,538	1,040,607.00	1,100,291.00
UN PAC CORP COM	58,866	2,966,112.00	3,259,705.00
UNISYS CORP COM	48,362	579,943.70	525,936.80
UNITED HEALTHCARE CORP COM	49,395	2,292,941.00	2,043,718.00
U.S HEALTHCARE INC COM	127,721	4,749,887.00	3,911,456.00
U S OFFICE PROD CO	160,000	1,739,250.00	1,920,000.00
U.S. SURGICAL CORP COM	16,299	899,959.90	338,204.30
US W. COMMUNICATIONS GROUP	135,395	4,900,045.00	5,635,817.00
UNITED TECHNOLOGIES CORP COM	36,218	2,284,141.00	2,829,531.00
UNUM CORP COM	22,121	1,151,190.00	1,036,922.00

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Description	Shares		Book		Market
COMMON STOCK (CONT'D)					
SYSCO CORP COM	141,201	\$	3,213,323.00	\$	4,165,430.00
UNOCAL CORP COM	114,205		2,690,002.00		3,154,913.00
REORG/UPJOHN CO INC COM EXCHED FOR PHARMARCIA UPJ	49,976		1,786,673.00		1,880,347.00
USLIFE CORP COM	6,829		239,448.20		274,867.30
UUNET TECHNOLOGIES INC COM	101,600		2,583,262.00		2,794,000.00
V F CORP COM	17,997		723,310.50		967,338.80
VARIETY CORP COM	12,107		461,759.30		532,708.00
REORG/VIACOM INC VAR COM RT 9-29-95 EXCH FOR VIAC	11,600		48,341.87		17,400.00
VIACOM INC CL B COM	102,258		3,711,877.00		4,742,215.00
VIKING OFFICE PRODS INC COM	70,000		1,479,250.00		2,563,750.00
WMX TECH INC COM	140,221		3,504,226.00		3,978,771.00
WACHOVIA CORP COM NEW	49,820		1,751,425.00		1,781,065.00
WAL-MART STORES INC COM	664,673		9,175,698.00		17,780,003.00
WALGREEN CO COM	81,160		3,248,846.00		4,068,145.00
WARNER LAMBERT CO COM	38,910		2,269,588.00		3,360,851.00
WELLS FARGO & CO COM	14,558		1,318,426.00		2,624,080.00
WENDY S INTL INC COM	31,071		378,499.60		555,394.10
WESTN ATLAS INC COM	15,064		577,037.80		668,465.00
WESTINGHOUSE ELEC CORP COM	107,303		1,824,359.00		1,569,306.00
WESTVACO CORP COM	19,283		575,344.80		853,272.80
WEYERHAEUSER CO COM	188,181		7,130,608.00		8,868,030.00
WHIRLPOOL CORP COM	131,773		5,080,425.00		7,247,515.00
WHITMAN CORP COM	30,679		414,743.20		594,405.60
WILLIAMS CO INC COM	29,952		685,484.70		1,044,576.00
WINN-DIXIE STORES INC COM	22,460		814,763.00		1,288,643.00
WIS CENT TRANSN CORP COM LM	35,000		1,039,913.00		1,715,000.00
WOOLWORTH CORP COM	37,650		864,848.30		569,456.30
WORTHINGTON IND INC COM	25,868		502,391.00		528,664.30
WRIGLEY WM JR CO CAP	33,555		1,007,181.00		1,556,113.00
XEROX CORP COM	53,486		4,709,880.00		6,271,234.00
X-RITE INC COM	22,500		427,187.50		416,250.00
YELLOW CORP COM	6,980		159,929.30		126,512.50
ADR YPF SOCIEDAD ANONIMA SPONSORED REPSTG CL D SHS	179,100		4,382,545.00		3,380,513.00
ZENITH ELECTR CORP COM	8,635		83,405.81		63,683.13
ZURN IND INC COM	3,486		119,123.40		69,720.00
USX - MARATHON GROUP COM NEW	84,960		1,521,599.00		1,677,960.00
HLTH MGMT ASSOC INC NEW CL A COM	75,000		2,079,932.00		2,193,750.00
BARRICK GOLD CORP	101,102		2,593,945.00		2,552,826.00
PREFERRED STOCK					
RJR NABISCO HLDGS CORP DEP SH REPSTG 1/10 C PERC	886,200	\$	5,760,300.00	\$	5,317,200.00
TELEDYNE INC PFD SER E	52		341.60		760.50
CASH					
COLTV STIF 0 12/31/99	13,493,524	\$	13,493,524.00	\$	13,493,524.00

Description	Rate	Maturity	Book	Market
CORPORATE BONDS				
ARCO CHEM CO 9.375 BD DUE 12-15-2005 REG	9.375	12/15/05	\$ 673,830.00	\$ 698,748.00
AMR CORP DEL 9.50 BD DUE 5-15-2001 REG	9.500	5/15/01	514,395.00	550,620.00
AETNA LIFE & CAS CO 8.00 DEB DUE 1-15-2017 REG	8.000	1/15/17	3,753,760.00	3,972,520.00
AFRICAN DEV BNK 7.750 BD DUE 12-15-2001 REG	7.750	12/15/01	976,070.00	1,059,920.00
AFRICAN DEV BNK SUB 9.30 NT DUE 7-1-2000REG	9.300	7/1/00	1,109,860.00	1,120,140.00
ALUM CO AMER 5.75 NT DUE 02-01-2001 REG	5.750	2/1/01	137,354.30	144,592.50
AMER BRANDS INC 8.50 BD DUE 10-1-03 REG	8.500	10/1/03	677,127.50	706,204.10
AMER GEN FIN CORP 6.875 BD DUE 07-01-1999 REG	6.875	7/1/99	1,573,863.00	1,627,165.00
AMER GEN FIN CORP 8.0 BD DUE 02-15-2000	8.000	2/15/00	560,000.00	591,612.00
ANALOG DEVICES INC 6.625 SR NTS DUE 3-1-2000 REG	6.625	3/1/00	283,029.00	295,356.00
ANHEUSER-BUSCH COMPANIES INC 8.75 NT DUE12-1-99 RE	8.750	12/1/99	684,552.10	656,046.00
AIRSTAR INC 7.75 SR NT DUE 06-15-2001 REG	7.750	6/15/01	1,798,794.00	1,888,686.00
AVCO FINL SVCS INC 7.25 NTS DUE 07-15-1999 REG	7.250	7/15/99	1,145,366.00	1,180,786.00
ASSOC CORP N. AMER 6.25 BD DUE 03-15-1999 REG	6.250	3/15/99	1,435,920.00	1,488,645.00
ASIAN DEV BNK 8.50 NT DUE 5-2-2001 REG	8.500	5/2/01	1,666,579.00	1,719,463.00
ASSOC CORP N. AMER 6.875 BD DUE 1-15-97 REG	6.875	1/15/97	74,157.75	75,642.00
ATLC RICHFIELD CO 10.375 NT DUE 7-15-95 REG	10.375	7/15/95	751,237.20	700,700.00
BEAVER VY PWR STA OH EDISON 8.89 NT DUE 6-1-17	8.890	6/1/17	4,164,116.00	4,659,078.00
BNK N.Y. INC 7.875 NT DUE 11-15-2002 REG	7.875	11/15/02	497,065.00	524,590.00
BAXTER INTL INC 9.25 DEB DUE 12-15-99 REG	9.250	12/15/99	674,339.70	656,718.00
BELLSOUTH SVGS & SEC ESOP TR GTD AMORTIZSER A 9.12	9.125	7/1/03	908,684.70	918,155.10
BEN CORP TRANCHE # TR 00785 7.99 MTN DUE02-17-2000	7.990	2/17/00	1,800,000.00	1,900,026.00
BOISE CASCADE CORP TRANCHE #TR 00034 6.4MTN DUE 4-	6.400	4/1/98	428,458.50	438,304.50
BSTN EDISON CO 9.875 DEB DUE 6-1-2020 REG	9.875	6/1/20	2,712,525.00	2,775,000.00
FORD MTR CR TRANCHE # TR 00376 9.14 MTN DUE 12-30-	9.140	12/30/14	4,971,200.00	5,996,000.00
CIT GROUP HLDGS INC TRANCHE #SB00001 SUB9.25 MTN D	9.250	3/15/01	1,133,721.00	1,176,085.00
CIT GROUP HLDGS INC 8.750 BD DUE 4-15-1998 REG	8.750	4/15/98	76,968.00	79,447.50
CIT GROUP HLDGS INC TRANCHE # SR 00001 SR 7.0 MTN	7.000	9/30/97	298,560.00	305,034.00
CATERPILLAR FINL SVCS CORP TRANCHE # TR 00168 9.50	9.500	2/6/07	892,222.00	952,104.00
CENT FIDELITY BNK INC 8.15 NT DUE 11-15-2002 REG	8.150	11/15/02	290,586.00	318,552.00
CHAMPION INTL CORP 7.70 NT DUE 12-15-99 REG	7.700	12/15/99	940,868.80	931,292.30
CHEM BKG CORP SUB 8.50 NT DUE 2-15-02 REG	8.500	2/15/02	688,577.50	703,612.00
CHES & POTOMAC TEL CO MD 6.00 DEB DUE 5-1-2003 REG	6.000	5/1/03	862,420.00	958,890.00
CHRYSLER CORP S/F 10.95 DEB DUE 8-1-2017REG	10.950	8/1/17	1,586,300.00	1,623,986.00
CHRYSLER FINL CORP SR 9.50 NT DUE 12-15-99 REG	9.500	12/15/99	1,353,450.00	1,374,963.00
CITICORP SUB 7.125 NTS DUE 6-1-2003 REG	7.125	6/1/03	961,170.00	1,010,100.00
COASTAL CORP SR 10.375 NT DUE 10-1-2000 REG	10.375	10/1/00	278,447.50	285,622.50
COCA COLA ENTERPRISES INC 7.00 NT DUE 11-15-99 REG	7.000	11/15/99	693,686.00	715,645.00
COML CR GROUP INC 5.75 SR NT 7-15-2000 REG	5.750	7/15/00	1,375,035.00	1,450,920.00
COMWLTH EDISON CO SER 80 7.00 1ST MTG BDDUE 2-1-97	7.000	2/1/97	1,508,280.00	1,509,015.00
CMNTY PROGRAM LN TR 1987 A CL A SER 87 A-4 4.50 BD	4.500	10/1/18	12,537,500.00	13,300,000.00
CONRAIL CORP 6.76 BD DUE 05-25-2015	6.760	5/25/15	835,000.00	835,000.00
CONS EDISON CO N Y INC 5.70 DEB DUE 10-1-98 REG	5.700	10/1/98	307,944.00	293,907.00
EASTMAN CHEM CO 6.375 SR NT DUE 01-15-2004 REG	6.375	1/15/04	596,830.00	633,984.00
CORESTATES CAPTL CORP 5.875 BD DUE 10-15-2003 REG	5.875	10/15/03	409,542.00	453,357.80
DISCOVER CR CORP TRANCHE # TR 00063 8.35MTN DUE 04	8.350	4/27/99	587,988.10	620,851.10
DOLE FOOD CO INC 6.75 NTS DUE 7-15-2000 REG	6.750	7/15/00	471,955.00	493,575.00
DISCOVER CARD TR SER 91-D CL A 8% CTF 10-15-98 REG	8.000	10/15/98	7,271,250.00	7,277,760.00
DUKE PWR CO 5.875 1ST REF MTG DUE 6-1-01REG	5.875	6/1/01	885,400.00	969,150.00
EUROPEAN INVT BNK 10.125 NT DUE 10-1-2000 REG	10.125	10/1/00	346,464.00	349,575.00
EXXON CAP CORP 7.875 BD DUE 4-15-96 REG	7.875	4/15/96	611,321.80	607,956.00
1ST CHGO CORP SUB 11.25 NTS DUE 2-20-2001 REG	11.250	2/20/01	597,380.00	601,390.00
1ST CHGO CORP TRANCHE #SR 00133 6.83 MTNDUE 09-08-	6.830	9/8/97	340,063.10	348,750.20
1ST DEP MASTER TR SER 1994-1 CL A 6.9 AST BACKED C	6.900	8/15/01	1,500,000.00	1,518,270.00
1ST CHGO MAS TR II 94-L 7.15 BD DUE 04-15-2001	7.150	4/15/01	218,556.30	225,775.00
1ST INTST BANCORP TRANCHE #SR 00032 9.375 MEDIUM T	9.375	11/15/98	589,743.00	597,102.00

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Description	Rate	Maturity	Book	Market
CORPORATE BONDS (CONT'D)				
FORD MTR CR CO 7.75 NTS DUE 10-01-1999 REG	7.750	10/1/99	\$ 497,330.00	\$ 521,855.00
FORD MTR CR CO 6.625 NT DUE 6-30-2003 REG	6.625	6/30/03	1,934,121.00	2,058,000.00
GTE N.W. INC 7.375 DEB DUE 05-01-2001 REG	7.375	5/1/01	1,456,799.00	1,532,260.00
GA PAC CORP 9.95 CR SR BD DUE 6-15-02 REG	9.950	6/15/02	681,822.00	697,380.00
GOLDMAN GROUP LP 7.75 NTS DUE 6-15-2013 BEO	7.750	6/15/13	4,969,156.00	4,864,500.00
GEN MTRS ACCEP CORP TRANCHE # TR 00524 7.75 MTN DU	7.750	3/15/01	2,695,030.00	2,811,965.00
GEN ELEC CAP CORP TRANCHE #000089 6.5 MEDIUM TERM	6.500	12/29/97	993,920.00	1,006,460.00
HSEHD FIN CORP 6.875 BD DUE 3-1-03 REG	6.875	3/1/03	955,570.00	1,001,030.00
ITT CORP 8.875 SR DEB DUE 06-15-2003	8.875	6/15/03	128,476.30	143,102.50
INCO LTD 9.60 BD DUE 6-15-22 REG	9.600	6/15/22	7,500,000.00	8,162,175.00
INTEGRA BK PITTSUBRUGH PA MTN TRANCHE #SR 00001 6.	6.550	6/15/00	540,216.00	539,325.00
INTL LEASE FIN CORP TRANCHE # TR 00103 5.96 MTN DU	5.960	7/7/99	1,876,900.00	1,953,340.00
INTL PAPER CO 9.70 NT DUE 3-15-2000 REG	9.700	3/15/00	1,113,785.00	1,124,920.00
ITT FINL CORP TRANCHE #TR 00007 8.88 MEDIUM TERM N	8.880	5/18/00	225,739.80	239,379.80
K MART CORP TRANCHE # TR 00048 7.72 MTN DUE 07-08-	7.720	7/8/02	974,010.00	1,040,160.00
LEHMAN BROS HLDGS INC 8.5 BD DUE 05-01-2007	8.500	5/1/07	7,131,910.00	7,407,610.00
LONG IS LTG 8.90 BD DUE 7-15-19/97 REG	8.900	7/15/19	5,246,125.00	4,587,300.00
MAY DEPT STORES CO 9.875 NT DUE 12-1-2002 REG	9.875	12/1/02	780,087.70	787,464.40
MCDONALDS CORP 9.75 NT DUE 1-15-99 REG	9.750	1/15/99	676,681.60	661,277.50
MORGAN J.P & CO INC 9.625 NT DUE 12-15-98 REG	9.625	12/15/98	621,010.60	608,160.00
MORGAN ST GROUP 7.5 DEB DUE 02-01-2024	7.500	2/1/24	4,327,972.00	4,842,791.00
NABISCO INC 6.7 DEB DUE 06-15-2002 REG;	6.700	6/15/02	439,740.40	436,537.20
NATIONSBANK CORP 6.625 BD DUE 01-15-1998BEO	6.625	1/15/98	593,850.00	602,382.00
NYNEX CORP 9.55 DEB DUE 5-1-2010 REG SPLANNUAL S/F	9.550	5/1/10	1,358,871.00	1,400,990.00
NORANDA INC 8.625 BD DUE 7-15-02 REG	8.625	7/15/02	168,777.70	185,162.30
NORWEST CORP 7.125 BD DUE 04-01-2000	7.125	4/1/00	988,198.20	1,018,730.00
NORWEST CORP TRANCHE # TR 00186 7.75 MTNDUE 12-31-	7.750	12/31/96	1,745,835.00	1,788,465.00
OCCIDENTAL PETE CORP TRANCHE #TR 00134 8.5 MTN DUE	8.500	11/9/01	770,350.00	838,263.30
PA PWR 6.875 BD DUE 03-01-2004 REG	6.875	3/1/04	662,768.30	657,351.50
PA PWR & LT CO 7.7 1ST MTG BD DUE 10-1-2009 PUT 10	7.700	10/1/09	1,000,000.00	1,107,280.00
PHILIP MORRIS 8.75 NT DUE 6-1-2001 REG	8.750	6/1/01	446,888.80	467,930.30
PHILLIPS PETE CO 9.00 NTS DUE 6-1-2001 REG	9.000	6/1/01	241,548.30	254,794.00
PARXAIR INC 6.85 BD DUE 06-15-2005	6.850	6/15/05	919,917.20	910,671.20
PUB FAC LN TR SER 1988-1 CL 3 5.00 SEQUENTIAL PAY	5.000	2/1/06	3,876,988.00	4,706,250.00
PUB SVC ELEC & GAS CO 1ST & REF MTG SER FF 7.875 D	7.875	11/1/01	1,540,020.00	1,579,695.00
RJR NABISCO INC 9.25 NTS DUE 8-15-2013 REG	9.250	8/15/13	9,369,450.00	9,992,983.00
RJR NABISCO INC 8.625 BD DUE 12-1-02 REG	8.625	12/1/02	1,196,515.00	1,253,233.00
RAILCAR TR SER 1992-1 CL 1-1 7.75 BD DUE6-1-2004 R	7.750	6/1/04	12,513,075.00	12,816,841.00
REP NY	8.875	2/15/01	434,780.00	441,232.00
REP NY CORP 8.25% BD DUE 11-1-01 REG	8.250	11/1/01	260,467.50	269,537.50
SEC PAC CORP SUB 11.00 NT DUE 3-1-2001 REG	11.000	3/1/01	429,192.00	430,030.80
SHELL OIL CO 6.625 BD DUE 7-1-99 REG	6.625	7/1/99	647,399.60	659,269.00
S.WESTN BELL TELL CO 6.375 NT DUE 4-1-01REG	6.375	4/1/01	2,389,939.00	2,492,961.00
SO CAL EDISON CO 1ST & REF MTG SER 1986-C 8.625 BD	8.625	4/15/19	2,988,790.00	3,160,200.00
SO BELL TEL & TEL CO 40 YR 8.625 DEB DUE9-1-2026 R	8.625	9/1/26	6,311,110.00	6,768,645.00
SO CAL EDISON CO 5.45 1ST REF MTG BDS SER 93-E DUE	5.450	6/15/98	792,503.60	778,992.00
TELECOMMUNICATIONS INC 9.25 DEB DUE 1-15-2023/03 R	9.250	1/15/23	5,731,884.00	5,042,700.00
TENNECO INC 10.00 NT DUE 3-15-2008 REG	10.000	3/15/08	797,136.90	908,879.00
TEX UTILS ELEC CO 1ST MTG & COLL TR 7.375 BD DUE 8	7.375	8/1/01	1,473,120.00	1,550,760.00
TEX UTILS ELEC CO 1ST MTG & COLL TR 8.125 BD DUE 2	8.125	2/1/02	816,737.50	854,072.00
TRANSAMERICA FIN GROUP INC 8.55 NT DUE 6-15-96 REG	8.550	6/15/96	127,587.50	127,606.30
TRANSAMERICA FIN GROUP INC 8.75 BD DUE 10-1-99 REG	8.750	10/1/99	1,704,112.00	1,726,768.00
UN OIL CO CAL TRANCHE # TR 00048 7.77 MTN DUE 04-1	7.770	4/19/05	955,296.00	973,393.80
USX CORP 9.80 NT DUE 7-1-2001 REG	9.800	7/1/01	576,552.60	599,718.60
US BANCORP SUB 7.00 BD DUE 3-15-03 REG	7.000	3/15/03	678,710.20	742,530.80
UN CARBIDE CHEMS & PLASTICS INC 7.00 NT DUE 8-1-19	7.000	8/1/99	732,836.00	755,504.50

Description	Rate	Maturity	Book	Market
CORPORATE BONDS (CONT'D)				
U S BANCORP ORE 8.125 BD DUE 5-15-02 REG	8.125	5/15/02	\$ 673,874.50	\$ 692,991.00
VALASSIS COMMUNCIATION 9.55 BD DUE 12-01-2003	9.550	12/1/03	419,743.80	463,197.00
VA ELEC & PWR CO 5.875 1ST REF MTG BD DUE 4-1-2000	5.875	4/1/00	993,315.10	973,990.00
WACHOVIA CORP NEW 6.8 BD DUE 06-01-2005	6.800	6/1/05	294,572.30	295,203.60
WAL MART STORES INC 8.00 NT DUE 5-1-96 REG	8.000	5/1/96	723,739.80	710,507.00
WELLS FARGO & CO SUB 8.375 NT DUE 5-15-02 REG	8.375	5/15/02	257,980.00	270,280.00
WELLS FARGO & CO 6.875 SUB NT DUE 4-15-2003 REG	6.875	4/15/03	668,871.00	695,940.00
CHASE MANHATTAN CORP SUB 9.375 NT DUE 7-1-2001 REG	9.375	7/1/01	811,657.50	842,722.50
BNK 1 COLBS OH 7.375 NT DUE 12-1-2002 REG	7.375	12/1/02	495,955.00	511,625.00
NORWEST CORP SUB CAP 9.25 NT DUE 5-1-97 REG	9.250	5/1/97	309,307.90	315,237.00
SWEDISH EXPT CR CORP 9.875 NOTE DUE 3-15 2038 REGI	9.875	3/15/38	5,312,132.00	5,391,793.00
COMMERCIAL PAPER				
DYNAMIC FDG CORP SER A N Y BRH CPN DUE 07-20-1995	6.030	7/20/95	\$ 4,974,875.00	\$ 4,984,075.00
FUJI BK 6.14 B/A DUE 8-25-95 DO NOT USE SEE SEC	6.140	8/25/95	4,880,611.00	5,073,913.00
MERRILL LYNCH INTL AUST LTD CPN DUE 08-02-1995	6.000	8/2/95	4,066,768.00	4,105,881.00
MORGAN STANLEY INC CPN DUE 07-06-1995	6.030	7/6/95	19,972,933.00	19,983,242.00
NEW CENTER ASSET TRUST CPN DUE 07-03-1995	6.253	7/3/95	70,000,000.00	70,000,000.00
PRUDENTIAL FDG 6.05 IBN DUE 07-05-1995	6.050	7/5/95	20,000,000.00	20,006,726.00
RECEIVABLES CAP CORP CPN DUE 07-26-1995	6.000	7/26/95	7,510,523.00	7,515,544.00
RECEIVABLES CAP CORP CPN DUE 07-03-1995	6.000	7/3/95	10,000,906.00	10,011,000.00
SUMITOMO B/A DUE 8-7-95 DO NOT USE SESEC #48497	5.920	8/7/95	4,954,778.00	4,969,536.00
FHLB DISC NT DUE 8-28-95	6.010	8/28/95	13,862,411.00	13,874,840.00
FFCB DISC NT DUE 08-29-1995	5.578	8/29/95	9,902,061.00	9,909,000.00
F.N.M.A. DISC NT DUE 8-30-95	7.300	8/30/95	11,878,830.00	11,888,880.00
SHORT TERM INVESTMENTS				
REPO WITH LEHMAN BROTHERS; 6.25% DTD 06-30-1995 OP	6.250	12/31/99	\$ 41,000,000.00	\$ 41,000,000.00
US TREAS BILLS DUE 9-14-1995	5.390	9/14/95	1,578,018.00	1,582,448.00
US TREAS BILL DUE 9-21-95	5.400	9/21/95	660,732.90	661,899.70
BNK CAL N A SAN FRAN 6.00 BANKERS ACCEP NT DUE 07-	6.000	7/10/95	992,333.30	998,495.60
BNK CAL N A SAN FRAN DTD 04-24-1995 0.00001 C/D DU	6.345	9/21/95	1,949,506.00	2,024,079.00
BNK TOKYO JAPAN 6.23391 BANKERS ACCEP NTDUE 08-24-	6.234	8/24/95	4,895,486.00	4,952,959.00
BNK TOKYO LTD 5.90 BANKERS ACCEP NT DUE 09-11-1995	5.900	9/11/95	4,931,986.00	4,940,952.00
FUJI BK LTD DTD 06-09-1995 6.0 C/D DUE 07-28-1995	6.000	7/28/95	4,959,167.00	5,018,444.00
FUJI BK LTD DTD 04-19-1995 6.07 B/A DUE 08-25-1995	6.070	8/25/95	4,892,089.00	5,062,611.00
MITSUBISHI BNK 6.02 BA DUE 7-21-1995	6.020	7/21/95	4,981,606.00	5,001,676.00
SAKURA BK LTD 5.93 BANKERS ACCEP NT DUE 09-18-1995	5.930	9/18/95	4,903,638.00	4,934,736.00
SAKURA 6.14049 BANKERS ACCEP NT DUE 08-17-1995	6.140	8/17/95	4,928,692.00	4,959,786.00
SANWA BNK DTD 6-6-1995 5.95 C/D DUE 07-06-1995	5.950	7/6/95	15,019,868.00	15,062,265.00
SANWA BK LTD JAPAN DTD 05-19-1995 6.06 C/D DUE 07-	???	06/18/95	5,000,916.00	5,036,511.00
SUMITOMO BK LTD JAPAN DTD 05-30-1995 6.06 C/D DUE	6.060	7/5/95	5,000,193.00	5,027,090.00
DAI ICHI KANGYO BK LTD JAPAN 6.00 BANKERS ACCEP NT	6.000	7/27/95	4,930,000.00	4,978,230.00
DAI ICHI KANGYO BK LTD DTD 06-14-1995 5.85 C/D DUE	5.850	9/25/95	4,916,313.00	5,013,950.00
U.S. AGENCIES				
FHLMC 5.19 DEB DUE 1-20-1999 REG	5.190	1/20/99	\$ 5,000,000.00	\$ 4,821,850.00
GNMA, POOL # 371273 SERIES 2024 6.5% DUE 02-15-202	6.500	2/15/24	2,670,345.00	2,895,449.00
GNMA, POOL # 354790 SERIES 2024 6.5% DUE 04-15-202	6.500	4/15/24	2,988,511.00	3,198,689.00
GNMA, POOL # 363767 SERIES 2023 6.5% DUE 11-15-202	6.500	11/15/23	5,843,619.00	6,254,593.00
GNMA, POOL # 337470 SERIES 2023 7.0% DUE 07-15-202	7.000	7/15/23	4,416,846.00	4,782,879.00
US TREAS 6.875 NT DUE 02-28-1997	6.875	2/28/95	717,349,363.00	17,606,531.00
US TREAS SER E-1997 8.50 NT DUE 4-15-97	8.500	4/15/97	\$ 4,957,113.00	\$ 5,221,850.00
US TREAS 10.75 BD DUE 8-15-2005	10.750	8/15/05	19,536,033.00	20,879,812.00
US TREAS 8.125 BD DUE 5-15-2021 REG	8.125	5/15/21	10,424,195.00	10,025,854.00

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Description	Rate	Maturity	Book	Market
U.S. AGENCIES (Cont'd)				
US TREAS 9.125 BD DUE 5-15-2018 REG	9.125	5/15/18	\$ 4,949,962.00	\$ 5,460,580.00
US TREAS 8.75 BD DUE 11-15-2008/2003	8.750	11/15/08	5,701,563.00	5,758,600.00
US TREAS 12.75 BD DUE 11-15-2010	12.750	11/15/10	4,865,938.00	5,087,300.00
US TREAS 12.00 BD DUE 8-15-2013/2008	12.000	8/15/13	4,934,657.00	4,970,750.00
US TREAS SER B 5.75 DUE 8-15-2003 REG	5.750	8/15/03	16,310,578.00	17,179,102.00
US TREAS 5.875 NT DUE 3-31-1999	5.875	3/31/99	8,210,820.00	8,482,087.00
US TREAS 7.5 BD DUE 11-15-2024 REG	7.500	11/15/24	867,529.80	975,853.60
US TREAS 4.375 NT DUE 11-15-1996 REG	4.375	11/15/96	7,278,305.00	7,488,158.00
US TREAS SER P-1998 5.125 NT DUE 6-30-98REG	5.125	6/30/98	35,986,738.00	36,286,117.00
US TREAS 6.5 NT DUE 4-30-1999 REG	6.500	4/30/99	11,334,718.00	11,926,553.00
US TREAS NT SER W-1997 6.50 BD DUE 05-15-1997	6.500	5/15/97	3,344,464.00	3,448,908.00
US TREAS NT 7.25 NT DUE 05-15-2004	7.250	5/15/04	2,391,641.00	2,669,150.00
US TREAS SER AF-1996 5.875 NT DUE 05-31-1996	5.875	5/31/96	7,757,344.00	7,810,998.00
US TREAS 7.625 BD DUE 02-15-2025	7.625	2/15/25	4,658,495.00	4,885,655.00
US TREAS 9.00 BD DUE 11-15-2018 REG	9.000	11/15/18	6,053,945.00	6,725,650.00
US TREAS 8.125 BD DUE 8-15-19 REG	8.125	8/15/19	12,954,406.00	13,492,414.00
US TREAS SER G-1997 8.75 NT DUE 10-15-97REG	8.750	10/15/97	875,017.90	901,527.00
US TREAS SER Q-1997 5.625 NT DUE 8-31-97	5.625	8/31/97	14,825,391.00	14,927,400.00
US TREAS SER B-2002 6.375 NT DUE 8-15-2002	6.375	8/15/02	40,704,734.00	42,953,882.00
US TREAS SER P-1997 5.50 NT DUE 7-31-97	5.500	7/31/97	633,113.80	610,867.20
US TREAS 7.125 BD DUE 2-15-2023 REG	7.125	2/15/23	845,666.20	948,231.00
US TREAS SER G-1999 6.375 DUE 07-15-1999REG	6.375	7/15/99	6,232,359.00	6,586,320.00
US TREAS SER H-1997 6.25 NT DUE 1-31-97	6.250	1/31/97	14,426,180.00	14,391,663.00
US TREAS SER E-1999 6.375 NT DUE 1-15-1999 REG	6.375	1/15/99	7,961,924.00	8,103,760.00
US TREAS SER V-1996 6.50 NT DUE 11-30-96	6.500	11/30/96	18,996,862.00	18,670,570.00
US TREAS SER D-2001 7.50 NT DUE 11-15-2001 REG	7.500	11/15/01	14,609,631.00	15,054,996.00
US TREAS SER N-1996 7.625 NT DUE 4-30-96REG	7.625	4/30/96	15,096,193.00	14,822,283.00
US TREAS SER A-1997 8.50 NT DUE 5-15-1997 REG	8.500	5/15/97	8,706,933.00	9,151,975.00
US TREAS 8.75 BD DUE 5-15-2017 REG	8.750	5/15/17	15,004,691.00	14,774,725.00
US TREAS SER B-1997 8.625 NT DUE 8-15-1997 REG	8.625	8/15/97	34,895,506.00	36,897,700.00
US TREAS SER C-1997 8.875 NT DUE 11-15-97 REG	8.875	11/15/97	5,450,230.00	5,406,448.00
US TREAS SER D-1998 8.875 NT DUE 11-15-1998 REG	8.875	11/15/98	8,501,469.00	8,860,599.00
US TREAS SER H-1996 8.00 NT DUE 10-15-96REG	8.000	10/15/96	19,813,047.00	19,504,640.00
US TREAS SER C-2001 7.875 NT DUE 8-15-2001 REG	7.875	8/15/01	1,875,259.00	2,041,516.00
US TREAS SER S-1997 5.75 NT DUE 10-31-97REG	5.750	10/31/97	1,216,329.00	1,211,586.00
US TREAS SER E-2000 6.375 NT DUE 1-15-2000 REG	6.375	1/15/00	22,445,529.00	22,189,477.00
US TREAS SER D-2000 8.50 NT DUE 11-15-2000	8.500	11/15/00	757,164.80	818,260.80
US TREAS SER J-1998 5.625 NT DUE 1-31-1998	5.625	1/31/98	2,525,900.00	2,661,990.00
US TREAS SER A-2003 6.25 NT DUE 2-15-03 REG	6.250	2/15/03	11,610,736.00	12,347,758.00
US TREAS SER K-1998 5.125 NT DUE 2-28-1998 REG	5.125	2/28/98	3,972,237.00	3,926,240.00
US TREAS SER A-2001 7.75 NT DUE 2-15-2001 REG	7.750	2/15/01	1,562,344.00	1,621,635.00
US TREAS SER N-1998 NT 5.375 DUE 05-31-98 REG	5.375	5/31/98	1,412,578.00	1,478,670.00
US TREAS SER E-1998 7.875 NT DUE 1-15-98	7.875	1/15/98	3,812,233.00	3,803,119.00
US TREAS SER AE-1998 5.125 NT DUE 12-31-1998 REG	5.125	12/31/98	2,495,293.00	2,444,514.00
US TREAS 5.0 NT DUE 1-31-1999	5.000	1/31/99	2,925,469.00	2,909,070.00
US TREAS SER V-1997 4.75 NT DUE	4.750	2/15/97	15,453,045.00	15,946,092.00
US TREAS NT 6.750 NT DUE 06-30-1999	6.750	6/30/99	18,802,759.00	19,900,132.00
US TREAS 6.125 NT DUE 07-31-1996 REG	6.125	7/31/96	6,851,250.00	7,024,080.00
US TREAS 6.875 NT DUE 07-31-1999	6.875	7/31/99	6,937,875.00	7,425,000.00
US TREAS SER C-2004 7.25 NT DUE 08-15-2004 REG	7.250	8/15/04	1,169,266.00	1,175,449.00
US TREAS SER C-1996 7.375 NT DUE 5-15-96	7.375	5/15/96	3,711,631.00	3,667,494.00
US TREAS 6.875 NT DUE 3-31-2000	6.875	3/31/00	847,675.00	848,700.00
US TREAS 7.125 NT DUE 02-29-2000	7.125	2/29/00	2,085,000.00	2,104,384.00
US TRES AE-1997 6.125 NT DUE 05-31-1997	6.125	5/31/97	12,809,688.00	12,765,532.00
US TREAS SER D-1996 7.25 NT DUE 11-15-96REG	7.250	11/15/96	36,498,041.00	37,354,823.00
US TREAS NT SER F-1998 7.875 NTS DUE 4-15-1998 REG	7.875	4/15/98	14,953,125.00	15,229,495.00

Description	Rate	Maturity	Book	Market
U.S. AGENCIES (Cont'd)				
US TREAS SER L-1998 5.125 NT DUE 3-31-1998 REG	5.125	3/31/98	\$ 9,958,196.00	\$ 9,807,800.00
FHA GMAC 195 PROJ 7.430 BD DUE 11-1-2025REG BD DEF	7.430	11/1/25	940,893.20	1,071,488.00
F.N.M.A. 7.00 DEB DUE 2-10-96 REG	7.000	2/10/96	1,117,509.00	1,107,557.00
F.N.M.A. 8.20 DEB DUE 12-23-96 REG	8.200	12/23/96	1,468,171.00	1,545,000.00
GOVT TR I CL 1-C 9.25 CTF DUE 11-15-2001REG (GOVT	9.250	11/15/01	8,607,434.00	8,729,546.00
FHA 133RD FHA INSD PRJ LN P#133 CITICORP7.43 MTG P	7.430	1/1/24	2,236,389.00	2,351,972.00
PVT EXPT FDG CORP 9.10 BD DUE 10-30-98 REG	9.100	10/30/98	1,168,234.00	1,075,090.00
RESOLUTION FDG CORP SER A-2020 8.875 BD DUE 7-15-2	8.875	7/15/20	20,608,529.00	20,069,369.00
TENN VAL AUTH 7.85 DEB DUE 06-15-2044 REG	7.850	6/15/44	7,609,440.00	8,085,840.00
TENN VAL AUTH PWR BD 1989 SER F 8.25 BD DUE 11-15-	8.250	11/15/96	1,104,257.00	1,028,600.00
TENN VAL AUTH PWR 1989 SER G 8.625 BD DUE 11-15-20	8.625	11/15/29	23,241,743.00	24,395,338.00
12 FED LD BNK SER A-1997 7.35 CONS BD DUE 1-20-97	7.350	1/20/97	1,084,437.00	1,020,310.00
FHLB 5.85 MEDIUM TERM CONS BD DUE 12-15-2003 REG	5.850	12/15/03	885,312.50	963,300.00
FNMA 5.10 BD DUE 7-22-98 REG	5.100	7/22/98	1,999,063.00	1,932,820.00
FHLB 5.80 MED TERM CONS BDS 7-26-2000 REG	5.800	7/26/00	1,000,000.00	981,280.00
FNMA 4.7 DUE 9-10-98	4.700	9/10/98	998,906.30	953,910.00
F.N.M.A. RESDNTL 8.90 BD DUE 6-12-2000 REG	8.900	6/12/00	1,185,000.00	1,113,910.00
FNMA 6.10 BD DUE 2-10-00 REG	6.100	2/10/00	1,014,397.00	995,310.00
FNMA 8.20 DEB DUE 3-10-98 REG	8.200	3/10/98	3,075,476.00	3,157,980.00
FNMA 5.24 MED TERM NT DUE 7/15/98	5.240	7/15/98	1,000,000.00	978,440.00
FNMA 5.375 DEB DUE 6-10-1998 REG	5.375	6/10/98	1,000,000.00	981,090.00
FED NATL MTG ASSN 5.25 BD DUE 3-25-1998 REG	5.250	3/25/98	4,498,358.00	4,409,280.00
FNMA 5.25 DEB DUE 5-13-1998 REG	5.250	5/13/98	1,000,000.00	976,110.00
FHLB 8.25 CONS BD DUE 9-25-96	8.250	9/25/96	3,947,498.00	4,105,000.00
FNMA 9.55 BD DUE 11-10-97	9.550	11/10/97	875,634.00	862,248.00
FNMA 8.59 MEDIUM TERM NT DUE 02-03-2005 REG	8.590	2/3/05	5,042,500.00	5,260,900.00
FNMA 6.42 MTN BD DUE 02-25-2004	6.420	2/25/04	7,757,504.00	8,167,112.00
FNMA 9.15 NT DUE 4-10-98 REG	9.150	4/10/98	3,260,423.00	3,234,360.00
FHLB CONS 8.60 BD DUE 1-25-2000 REG	8.600	1/25/00	5,503,569.00	5,250,000.00
FED FARM CR BNK 8.65 CONS SYSTEMWIDE BD DUE 10-1-9	8.650	10/1/99	1,146,294.00	1,089,220.00
FNMA 8.45 BD DUE 10-21-96 REG	8.450	10/21/96	2,477,343.00	2,578,125.00
MUNICIPAL BONDS				
CLARK CNTY NEV PASSENGER FAC CHARGE REV LAS VEGAS	6.000	7/1/22	\$ 8,793,894.00	\$ 8,730,990.00
L A CA DEPT WTR & PWR ELEC PLT CROSSOVER2ND ISS EL	4.750	11/15/19	3,588,500.00	4,051,300.00
WASHINGTON ST PUB PWR SUPPLY SYS NUCLEAR06.875 BD	6.875	7/1/17	6,923,325.00	7,321,510.00
MISCELLANEOUS BONDS				
HYDRO-QUEBEC 8.5 DEB DUE 12-01-2029 REG	8.500	12/1/29	\$ 5,796,975.00	\$ 5,431,000.00
MAN PROV CAN 9.50 BD DUE 10-1-2000 REG	9.500	10/1/00	1,403,118.00	1,356,456.00
MAN PROV CAN 8.75 BD DUE 5-15-2001 REG	8.750	5/15/01	1,065,930.00	1,105,330.00
NOVA SCOTIA PROV CDA 9.375 DEB DUE 7-15-02 REG	9.375	7/15/02	1,112,490.00	1,135,050.00
ON PROV CAN 7.375 BD DUE 1-27-2003 REG	7.375	1/27/03	1,495,635.00	1,555,065.00
ON PROV CAN 8.00 BD DUE 10-17-2001 REG	8.000	10/17/01	495,307.20	514,200.00
QUE PROV CDA 7.50 BD DUE 7-15-02 REG	7.500	7/15/02	2,064,669.00	2,140,653.00
SK PROV CDA 8.0 NTS DUE 7-15-2004 REG	8.000	7/15/04	1,802,608.00	1,885,030.00
DAI ICHI KANGYO BK LTD JPN 6.01 BD DUE 07-24-1995	6.010	7/24/95	4,977,463.00	5,000,000.00
REAL ESTATE AND MINERAL INTERESTS				
CF STATE STREET REAL ESTATE FUND VI			\$ 11,603,967.00	\$ 11,729,216.00
CR RREEF APARTMENT FUND I			17,338,988.00	17,683,317.00
CF TCW REALTY FUND VIA			19,551,087.00	20,673,844.00
CF ADVENT REALTY FUND II			20,304,714.00	21,091,184.00
CF LASALLE FUND IV			10,958,956.00	9,023,751.00
CF O'CONNOR RETAIL PPTY TR. CERTIFICATE UTU SHS RE			16,190,464.00	15,878,938.00

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Description	Shares	Book	Market
REAL ESTATE AND MINERAL INTERESTS (Cont'd)			
CF LENDORFF & BABSON PROPERTY FD III		16,255,038.00	16,091,988.00
CB COMMERCIAL		10,204,917.00	10,204,917.00
LIABILITIES			
1995, SEPTEMBER S&P 500 FUTURE (CME) LONG	9/30/95	\$0.00	(\$2.00)
CASH			
COLTV STIF	12/31/99	13,493,524.00	13,493,524.00

INTERNATIONAL HOLDINGS AS OF 06-30-95

Source: Northern Trust Co.

Description	Shares	Book	Market
<u>EQUITIES</u>			
AUSTRALIA			
ALCAN AUSTRALIA AUD1	1,300,000	\$ 2,040,189.00	\$ 2,340,616.00
AMPOLEX LIMITED AUD0.50	25,715	81,659.63	58,329.67
ASHTON MINING LTD AUD0.50	21,500	48,858.19	33,833.31
AUST GAS LIGHT CO AUD1	350,000	1,142,612.00	1,104,031.00
AUST & NZ BANK GRP AUD	1,159,402	3,383,725.00	4,109,198.00
AUST NAT INDS AUD0.30	67,851	92,776.79	58,677.17
AMCOR LTD AUD1	57,780	375,597.40	425,136.00
WESTPAC BANK CORP ORD A\$1	680,854	1,570,474.00	2,456,545.00
BORAL ORD A\$0.50	90,300	222,478.70	225,311.50
BRAMBLES INDS LTD A\$0.50	368,900	3,609,817.00	3,488,330.00
BROKEN HILL PTY A\$1	182,708	2,174,904.00	2,243,151.00
BURNS PHILP & CO A\$0.50	51,418	142,502.40	107,155.80
CALTEX AUSTRALIA A\$1	13,800	30,774.58	39,421.86
COCA-COLA AMATIL A\$0.50	29,922	166,470.70	184,528.30
COCA-COLA AMATIL	7,480	0.00	0.00
COLES MYER LIMITED A\$0.50	106,938	350,529.80	335,048.20
CRA LIMITED A\$2	58,000	655,730.20	786,906.20
CSR LIMITED ORD A\$	83,674	279,202.70	260,973.40
SCHRODERS PRPTY FD A\$1	18,305	31,449.66	27,897.24
PACIFIC DUNLOP ORD A\$0.50	883,097	2,692,030.00	1,852,905.00
FOSTERS BREWING GP A\$1	307,500	264,076.00	272,463.40
EMAIL LIMITED A\$0.50	565,259	1,585,321.00	1,370,335.00
GOODMAN FIELDER LT A\$0.50	2,771,829	2,889,887.00	2,298,822.00
GEN PROPERTY TST	63,471	109,595.60	107,079.30
GOLD MINES OF KALG A\$0.05	41,100	38,809.93	36,708.39
HARDIE (JAMES) A\$1	30,392	51,004.06	47,826.13
BTR NYLEX LIMITED A\$0.50(AUST LISTING)	1,300,000	2,506,372.00	2,478,841.00
ICI AUSTRALIA A\$1	26,100	169,253.70	170,208.50
LEND LEASE CORP ORD A\$0.50	22,217	255,242.20	283,157.50
MIM HLDGS ORD A\$0.50	152,249	290,119.40	187,783.20
MAYNE NICKLESS ORD A\$0.50	300,000	1,400,537.00	1,231,269.00
NEWS CORPORATION	89,801	40,019.47	443,677.10
NATIONAL AUST BANK A\$1	421,369	2,727,594.00	3,321,394.00
NATIONAL FOODS LTD A\$0.50	1,814,000	2,086,644.00	1,671,605.00
NEWCREST MINING A\$0.50	27,100	113,339.80	114,682.40
NTH LIMITED A\$0.50	66,452	148,327.10	160,154.80
PIONEER INTL LTD ORD A\$0.50	82,000	159,580.60	203,439.30
QCT RESOURCES LTD A\$0.50	45,854	47,958.27	45,179.88

Description	Shares		Book	Market
AUSTRALIA, (Cont'd)				
RENISON GOLDFIELDS A\$0.50	24,866	\$	80,573.79	\$ 78,436.63
ROTHMANS HLDGS A\$0.50	9,400		39,560.76	32,316.37
SOUTHCORP HOLDINGS A\$0.50	52,099		122,120.00	103,774.00
SANTOS LIMITED A\$0.25	46,676		126,075.10	111,831.30
SMITH (HOWARD) A\$1	12,454		57,914.97	56,499.14
STOCKLAND TRUST GP A\$1.1	22,400		50,228.22	52,080.47
NEWS CORPORATION A\$0.50(AUST LISTING)	182,655		1,170,631.00	1,017,670.00
TNT A\$0.50	57,100		94,908.22	74,879.14
TUBEMAKERS A\$0.50	21,000		56,600.87	49,867.45
WESTN MINING CORP A\$0.50	103,192		489,914.00	566,892.60
WESTFIELD TRUST UNITS A\$1	88,610		155,870.50	154,515.10
WESTFIELD TRUST A\$1 NEW UNITS	7,119		11,159.09	12,413.87
AUSTRIA				
AUSTRIAN AIRLINES AUSH1000	200	\$	33,152.65	\$ 33,861.74
BWT AG(BENCKISER W AUSH100	100		13,734.09	12,122.83
CREDITANSTALT-BANK AUSH100(VAR)	2,460		144,480.70	145,067.10
CREDITANSTALT-BANK PRF AUSH100(VAR)	1,140		66,798.78	65,703.69
CONSTANTIA-ISO HOL ATS100	200		0.00	12,636.51
CONSTANTIA-VERPACK ATS100	100		0.00	7,438.08
FLUGHAFEN WIEN AG AUSH100	13,000		604,093.30	691,823.30
EA-GENERALI AG AUSH100	600		181,828.50	176,911.10
LENZING AUSH100	200		21,668.89	18,615.74
OEST BRAU-BETEILIG AUSH100	600		35,036.94	31,560.45
OMV AG AUSH100(VAR)	7,330		691,954.80	845,679.40
OEST ELEKTRIZITATS CLASS'A'AUSH100	2,600		135,877.60	190,718.80
RADEX-HERAKLITH AUSH100	600		24,402.41	20,403.34
STEYR-DAIMLER-PUCH AUSH100(VAR)	900		18,940.80	16,180.90
STRABAG OSTERREICH AUSH100	110		15,622.09	16,612.39
UNIVERSALE-BAU AG AUSH100(VAR)	300		21,815.28	12,328.30
VEITSCH-RADEX AG AUSH100(VAR)	1,990		80,653.81	47,635.53
WIENERBERGER BAUST AUSH100(VAR)	1,670		572,229.10	641,667.60
BK AUSTRIA AG AUSH100	4,330		369,776.50	360,325.50
BK AUSTRIA AG AUSH100 PRF	600		31,037.66	28,046.89
BK AUSTRIA AG AUSH100 PTG CERTS	600		20,970.86	21,266.32
BELGIUM				
FORTIS AG NPV	7,338	\$	578,537.80	\$ 776,153.20
UNION MINIERE NPV	12,415		942,677.60	811,452.20
BEKAERT SA NPV	475		323,469.40	375,560.00
ELECTRABEL NPV(VVPR)	2,040		368,554.60	436,566.80
CBR CIMENTERIES NPV	725		277,190.60	296,802.30
CBR CIMENTERIES NPV VVPR	75		26,870.35	30,703.68
CBR HEIDELBERGER PUT WTS 20/12/96	10		0.00	91.72
DELHAIZE-LE LION NPV	10,885		422,766.00	489,600.30
ELECTRABEL NPV (BELGIUM QUOTE)	9,385		1,698,625.00	1,982,038.00
GEVAERT PHOTO CAP NPV	5,000		241,684.60	274,093.00
GLAVERBEL NPV	6,300		894,078.40	829,078.50
GENERALE DE BANQUE NPV	8,415		2,285,831.00	2,702,736.00
GPE BRUXELLES LAM NPV	4,800		572,144.10	642,642.50
GENERALE DE BANQUE NPV(VVPR)	19		4,189.86	6,082.40
GLAVERBEL NPV VVPR	27		3,405.78	3,890.01
FORTIS AG NPV(VVPR)	203		19,007.91	22,434.69
KREDIETBANK NPV VVPR	150		29,788.82	35,526.66
KREDIETBANK NPV	2,805		583,774.70	663,362.90
PETROFINA SA WTS 3/6/97(TO PUR VVPR)	202		0.00	2,810.93

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Description	Shares		Book		Market
BELGIUM (Cont'd)					
PETROFINA SA NPV (BR)	4,880	\$	1,452,204.00	\$	1,473,046.00
ROYALE BELGE NPV VVPR	225		34,061.13		42,378.99
ROYALE BELGE NPV	2,620		400,582.20		493,479.80
SOLVAY NPV	1,735		775,523.80		960,247.70
TRACTEBEL INV INTL NPV VVPR	180		51,207.13		65,307.92
TRACTEBEL INV INTL CAP NPV	2,600		773,199.20		943,336.60
BERMUDA					
ASIA PAC RES INTL CL A COM NPV	270,000	\$	2,062,613.00	\$	2,463,750.00
JARDINE STRATEGIC	1,470,000		1,568,709.00		1,599,544.00
APPLIED INTL HLDGS	16,000		0.00		672.05
APPLIED INTL HLDGS HKD0.20	96,000		27,242.90		10,049.76
DICKSON CONCPT INT HKD0.10	982,500		752,426.90		587,277.90
JARDINE STRATEGIC US\$0.05(SING QUOTE)	1,350,000		5,406,764.00		4,347,000.00
JARDINE STRATEGIC	150,000		0.00		66,000.00
NATL MUTUAL ASIA HKD0.05	3,500,000		2,251,622.00		2,239,095.00
BRAZIL					
BCO EST SAO PAULO PREF NPV	859,000	\$	4,890.28	\$	4,848.63
CEMIG CIA ENERGMG PREF BRL0.01	1,853,000		36,930.54		36,205.16
SIDER DE TUBARAO PREF 'B' SHS NPV	55,000		38,186.70		40,805.97
BCO BRADESCO SA PRF CR\$1(REGD)PN	8,668,000		74,982.95		73,389.85
BCO DO BRASIL SA PRF CR\$1(REGD)PN	1,952,000		23,515.48		23,307.46
BCO ITAU SA PREF CR\$1(REGD)(PN)	164,000		52,647.29		49,845.32
BRAHMA (CIA CERVEJ PREF SHS NPV(PN)	113,000		37,147.31		37,041.92
CESP-CIA ENERGMG SAO PREF SHARES NPV	47,000		1,587.66		1,857.04
CEVAL ALIMENTOS SA	547,000		5,941.66		6,234.46
ELETROBRAS(CENTR COMMON STOCK NPV (ON)	1,249,000		318,717.30		325,384.00
ELETROBRAS(CENTR PREF'B'SHS NPV(PNB)	1,210,000		310,023.20		321,791.00
PETROL BRASILEIROS	1,718,000		146,227.20		145,458.90
SADIA CONCORDIA SA PREF CR\$ (REGD) PN	12,000		11,029.29		11,202.17
SIDER NACIONAL CIA COM NPV(ON)	1,015,000		21,697.00		23,126.02
TELEBRAS PREF SHARES NPV (PN)	5,701,000		188,440.20		187,506.40
TELESP-TEL SAO PAU PREF CR\$(REGD)(PN)	293,000		36,164.21		36,254.08
USINAS SID MINAS PREF SHS NPV(PN)	26,160,000		29,367.22		29,532.05
VALE RIO DOCE(CIA) PREF CR\$(REGD)(PN)	898,000		137,568.10		135,492.00
ARACRUZ CELULOS SA PREF'B'SHS NPV(PNB)	14,600		33,221.34		34,073.27
KLABIN FAB PAPEL PREF SHS NPV(PN)	11,700		15,921.60		16,510.18
FORCA LUZ(CIA PAUL COM NPV(ON)	429,000		21,772.25		21,467.46
ITAUSA INV ITAU SA	51,000		27,332.50		28,676.26
LIGHT SERV ELET SA	195,000		59,916.93		61,383.99
IPIRANGO CIA PETRO PREF SHS NPV	820,000		9,579.63		9,702.04
CHINA					
SHANDONG HUANENG	119,000	\$	1,533,260.00	\$	907,375.00
MAANSHAN IRON & ST 'H' CNYU 1	3,000,000		950,873.20		628,109.90
SHANGHAI HAI XING 'H'CNY1	12,562,000		2,356,743.00		2,565,164.00
CZECH REPUBLIC					
CEZ CZK1100	12,500	\$	681,234.90	\$	454,545.50
DENMARK					
AARHUS OLIEFBK 'A'DNKR100	205	\$	10,496.55	\$	12,525.46
AARHUS OLIEFBK 'B'LIM VTG DNKR100	55		2,958.71		3,360.49
DANISCO DNKR20	4,745		146,876.30		202,943.00
CARLSBERG 'A'DNKR20	3,035		131,972.40		141,045.20

Description	Shares		Book	Market
DENMARK (Cont'd)				
CARLSBERG 'B'DNKR20	2,464	\$	107,323.70	\$ 114,965.40
D/S 1912 'B'DNKR1000	19		370,900.30	362,340.30
D/S SVENDBORG 'B'DNKR1000	12		340,941.90	328,828.00
DEN DANSKE BANK AS DNKR100	4,555		242,619.50	285,899.80
OSTASIATISKE KOMPA DNKR100	1,840		50,006.12	53,145.71
DANSKE LUFTFARTSEL DKK25	720		28,487.88	54,389.93
GN STORE NORD DNKR100	418		34,103.20	32,505.09
FIH SER'B'DNKR20	32,000		715,083.80	699,129.80
ISS INTERNATIONAL SER'B'DKR20	2,493		84,081.43	65,082.95
ROYAL COPENHAGEN 'A'DNKR100	190		9,367.43	16,885.76
LAURITZEN(J)HLDGS 'B'DKK20	249		45,385.85	48,868.73
KORN- OG FODERSTOF DKK20	875		30,091.41	35,641.55
NKT HOLDING DNKR100	700		29,454.39	41,473.80
NOVO-NORDISK AS DKK20'B'	3,231		309,914.30	344,576.20
RADIOMETER AS 'B'DNKR20	697		40,719.26	40,392.71
FLS INDS 'B'DNKR100	795		63,590.68	78,946.55
SOPHUS BERENDSEN 'A'DNKR20	422		37,455.44	39,770.04
SOPHUS BERENDSEN 'B'DNKR20	1,546		132,246.10	145,697.80
SUPERFOS AS DNKR100	575		36,184.74	46,736.72
TELE DANMARK A/S SER'B'DNKR10	27,154		1,341,587.00	1,510,790.00
UNIDANMARK 'A' DNKR100	3,987		137,916.90	195,622.10
FINLAND				
AMER GROUP 'A'FIM20	1,650	\$	41,043.57	\$ 29,971.95
INSTRUMENTARIUM FIM10 SER'A'	1,400		38,092.79	26,183.52
INSTRUMENTARIUM FIM10 SER'B'	400		10,905.26	7,481.01
KANSALLIS-YHTYMA FIM5	839,220		886,034.00	912,302.30
KESKO FIM10 (CNV)	6,500		59,382.86	65,037.99
KONE CORP 'B'FIM50	400		46,502.98	45,073.06
KYMMENE CORP FIM20	5,900		120,516.50	183,448.30
METRA AB 'A'FIM20	1,300		45,294.85	55,312.68
METRA AB 'B'FIM20	1,200		41,675.08	52,741.09
NOKIA (AB) OY FIM5 SER'K'	13,200		284,179.60	783,822.30
NOKIA (AB) OY FIM5 SER A	12,800		346,116.50	748,100.50
OUTOKUMPU OY 'A'FIM10	10,600		172,120.60	175,943.90
POHJOLA SER'A'FIM5	1,900		30,531.74	28,872.00
POHJOLA SER'B'FIM5	2,200		32,476.12	34,459.38
REPOLA FIM10	13,100		230,644.20	275,628.30
SAMPO 'A'FIM20	1,200		67,247.00	60,315.60
UNITAS FIM10 SER'A'	34,800		97,265.74	112,271.20
STOCKMANN AB(OY) 'B'FIM20	600		23,332.49	25,248.39
STOCKMANN AB(OY) 'A'FIM20	700		30,977.57	35,184.10
CULTOR OY SER'2'FIM12	600		16,042.20	19,497.37
CULTOR OY SER'1'FIM12	1,400		37,460.91	44,511.98
FRANCE				
L'AIR LIQUIDE FF70	4,450	\$	562,452.60	\$ 711,449.20
AXA FF60	20,061		862,357.90	1,084,267.00
DANONE FRF10	9,042		1,385,432.00	1,522,078.00
ERID BEGHIN-SAY FF65	3,500		500,784.20	540,072.20
BIC FF100	6,800		981,819.90	1,122,228.00
BONGRAIN SA FF50	100		57,224.97	59,907.17
ACCOR FF100	2,831		328,863.40	377,272.00
BOUYGUES FF50	2,600		282,884.30	311,624.50
BQE NATL PARIS FF25	23,260		1,030,884.00	1,122,814.00
BUT SA FF115	4,000		659,567.60	891,181.00

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Description	Shares	Book	Market
FRANCE (Cont'd)			
CARNAUDMETALBOX FF10	4,800	\$ 154,850.20	\$ 214,675.60
CGIP FF100	4,000	918,186.10	933,264.60
CSF(THOMSON) FF20	13,775	396,696.30	308,889.60
EAUX(CIE GENERALE) FF100	13,779	1,412,308.00	1,534,948.00
CARREFOUR FF100	4,955	1,868,975.00	2,540,108.00
CASINO GUICH-PERR FF10	7,294	194,163.50	212,914.10
CASINO GUICH-PERR PRF FF10	1,061	23,710.30	23,879.34
CASTORAMA DUBOIS FF25	6,800	566,202.80	1,127,839.00
CHARGEURS SA FF100	783	177,088.20	152,642.60
CLUB MEDITERRANEE FF25	7,900	592,853.00	805,889.60
CIE FIN PARIBAS FF50'A'	14,079	\$ 935,279.20	\$ 846,918.30
CIE BANCAIRE FF100	3,139	249,665.30	375,579.20
COMPTOIRS MODERNES FF100	3,510	719,270.70	1,082,506.00
CIE GEN GEOPHYSIQU FF10	150	16,041.59	8,942.75
ALCATEL ALST(CG E) FF40	18,189	1,997,292.00	1,638,980.00
CREDIT FONC FRANCE FF300(BR)	989	185,313.10	109,560.20
SOVAC FF100	960	93,233.59	85,157.30
CREDIT NATIONAL FF100	768	75,289.95	61,946.98
DMC DOLLFUS-MIEG FF75	400	28,971.48	22,527.08
DOCKS DE FRANCE FF10	950	120,693.70	144,827.20
ECCO STE FF25	612	65,264.79	96,076.74
ESSILOR INTL FF20	700	87,718.93	127,364.60
EURAFRANCE FF200	431	124,348.50	142,436.70
EUROPE 1 FF100(REGD)	114	36,377.14	27,115.42
FINEXTEL(SOC FIN) FF100	600	16,342.12	8,788.04
GTM ENTREPOSE FF50	507	40,685.47	39,974.30
HAVAS FF15	6,369	502,018.00	504,527.30
IMETAL FF50	1,111	111,039.60	130,638.50
POLIET FF50	10,000	915,657.50	908,715.80
LAFARGE FR25 (BR)	10,476	781,367.10	815,172.20
L'OREAL FF10	7,550	1,504,323.00	1,895,482.00
LVMH MOET HENNESSY FF10	10,165	1,452,606.00	1,830,644.00
LAGARDERE GROUPE	650	1,456.23	402.27
LYONNAISE DES EAUX FF60	7,625	700,838.30	721,681.30
LAGARDERE GROUPE FF40(REGD)	5,050	123,252.70	104,698.30
LEGRAND FRF10(POST-SUB)	3,400	358,454.00	540,072.20
MICHELIN CGDE CLASS'B'(BRWN BDS)FF12	13,850	529,151.40	614,000.00
MOULINEX FF10	1,533	32,159.97	37,095.60
NORD EST FF50	900	24,718.37	22,873.65
CPR(CIE PAR REESCO FF50	564	41,877.63	42,816.30
PERNOD-RICARD FF20	5,840	339,367.10	384,313.60
PEUGEOT SA FF35	6,100	767,836.00	846,890.20
PINAULT PRINTEMPS FF100	2,540	393,439.40	544,940.70
PROMODES FF20	2,150	317,739.20	490,098.00
RADIOTECHNIQUE(LA) FF50	25	1,341.90	2,429.09
RHONE-POULENC SA 'A'FF25	35,650	857,764.90	803,825.70
SEFIMEG FF100(REGD)	1,300	109,455.40	86,621.97
CIE DE ST GOBAIN FF100	10,038	1,092,547.00	1,213,464.00
ST LOUIS FF100	950	249,447.20	293,966.00
SAGEM(APPLIC) F50	500	248,998.20	287,261.50
SALOMON SA FF25	1,200	551,659.50	543,372.90
SCHNEIDER SA(EX SP FF20	7,250	465,852.70	573,868.00
SIMCO FF100(REGD)	2,575	247,683.60	223,635.90
SKIS ROSSIGNOL FF100	60	17,720.91	14,147.50
SOC GENERALE FF30	21,298	2,292,948.00	2,491,174.00
SODEXHO FF100	466	76,315.43	105,264.60

Description	Shares	Book	Market
FRANCE (Cont'd)			
ELF AQUITAINE FF50	46,133	\$ 3,204,741.00	\$ 3,411,796.00
CIE DE SUEZ FF75	19,360	1,060,767.00	1,077,930.00
SANOFI FF25	11,216	483,344.90	621,247.20
TOTAL 'B'FF50	26,810	1,508,935.00	1,614,960.00
UNIBAIL FF100(REGD)	450	38,478.35	44,002.06
UNION IMMO DE FRAN FF100	500	52,525.78	48,066.01
UAP (CIE UAP) FF10	22,700	654,804.30	595,655.50
UNION IMMOB FRANCE FF100(RFD-1/7/94)	17	1,487.99	1,505.89
AIR LIQUIDE FF70 (REGD)	3,894	478,609.60	622,558.00
GERMANY			
AMB ACH & MUN BET REG DM50(VINKULIERT)	382	\$ 279,457.60	\$ 264,124.00
AMB AACH & MUN BET DM50	100	76,522.77	73,477.35
AGIV AG DM50	450	155,585.10	145,979.30
ALLIANZ AG HLDG DM50(REGD)(VINKULIERT)	2,030	3,383,255.00	3,619,710.00
BAYER HYPO/WECH BK	175	39,744.34	48,804.28
ASKO DEUT KAUFHAUS DM50	405	241,107.10	252,814.10
BASF AG DM50(VAR)	5,700	1,127,742.00	1,216,516.00
BAYER AG DM50(VAR)	6,500	1,499,180.00	1,615,490.00
BAYER HYPO/WECH BK DM50(VAR)	2,250	618,683.60	615,291.50
BAYER VEREINSBK DM50(VAR)	2,506	731,433.30	759,531.10
BEIERSDORF AG SER'A B C'DM50(VAR)	400	243,330.10	317,896.10
BILFINGER & BERGER DM50(VAR)	350	176,113.90	161,458.70
BREMER VULK DM50	1,050	61,615.89	60,689.26
BRAU UND BRUNNEN DM50 (RFD 1/1/95)	140	24,110.51	26,905.57
CKAG COLONIA AG	14	9,185.74	12,421.07
CKAG COLONIA KONZ	150	123,844.20	135,142.00
CKAG COLONIA KONZ	50	28,647.14	32,259.23
CONTINENTAL AG DM50(VAR)	750	122,281.40	108,807.20
DAIMLER-BENZ AG DM50(VAR)	5,110	2,611,390.00	2,344,375.00
DEGUSSA AG DM50(VAR)	900	278,796.40	278,628.70
DIDIER-WERKE AG DM50(VAR)	150	16,441.36	12,896.47
DLW AG DM50(VAR)	150	47,022.96	39,989.89
DT PFAND&HYP(DEPFA DM50(VAR)	1,200	611,118.20	609,493.50
BRAU UND BRUNNEN DM50	390	97,051.23	74,951.23
DYCKERHOFF AG DM50(VAR)	105	44,375.43	50,827.25
DYCKERHOFF AG NON VTG PRF DM50	52	17,673.32	16,530.60
DEUTSCHE BANK AG DEM5	45,300	2,169,376.00	2,199,379.00
DRESDNER BANK AG DEM5	9,000	258,989.00	260,096.80
GEHE AG DM50(VAR)	2,270	605,834.50	1,041,435.00
MAN AG DM50	1,070	282,546.30	275,597.90
MAN AG NON VTG PRF DM50	300	61,992.10	59,605.52
DRESDNER BANK DEM5	31,500	755,705.80	910,338.90
HEIDELBERG ZEMENT DM50(VAR)	390	299,616.60	332,490.40
HERLITZ AG DM50	200	46,545.41	42,482.48
HERLITZ AG NON VTG PRF DM50	50	11,022.84	9,753.63
ALLIANZ AG HLDG DEM50 (S/R 7/7/95)	2,030	0.00	151,065.70
HOCHTIEF AG DM50	771	448,308.70	424,465.00
HOLSTEN BRAU AG DM50(VAR)	62	17,548.25	15,498.88
DOUGLAS HLDGS DM50(VAR)	200	69,643.50	75,153.53
IND WERKE KARL DM50	200	48,353.15	43,782.96
KAMPA HAUS AG DM50(VAR)	995	193,014.90	601,701.50
KARSTADT AG DM50(VAR)	830	317,289.80	363,998.30
KAUFHOF HLDG AG NON VTG PRF DM50	150	36,371.12	39,231.27
KAUFHOF HLDG AG DM50	740	238,426.00	264,113.90
JUNGHEINRICH NON VTG PRF DM50	3,600	780,742.60	728,271.10

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Description	Shares	Book	Market
GERMANY (Cont'd)			
SOMMER-ALLIBERT FF50	100	\$ 34,816.09	\$ 36,823.10
KLOECKNER-HUMB-DEU DM50	1,140	82,919.73	37,063.79
FAG KUGELFISCHER DM50	250	36,729.31	34,047.40
LINDE DM50	860	473,876.40	509,500.80
LINOTYPE HELL AG DM50	350	76,467.34	77,378.80
LUFTHANSA AG NON VTG PRF DM50	100	11,926.35	14,594.32
LUFTHANSA AG DM50	10,930	1,386,760.00	1,579,366.00
MANNESMANN AG DM50 (GERMAN REGD)	3,600	997,823.60	1,098,909.00
MUNCHENER RUCKVERS	700	1,398,898.00	1,532,404.00
PWA PAPIER WALDHOF DM50	600	85,796.76	107,723.40
PREUSSAG AG DM50(BR)(VAR)	1,510	430,078.70	450,567.20
RHEINMETALL BERLIN DM50(VAR)	150	32,559.72	26,443.18
RWE AG NON VTG PRF DM50	1,870	437,259.90	513,942.60
RHEIN-WESTF ELEK	3,320	976,570.70	1,152,561.00
SAP AG DM50	120	144,989.20	159,092.60
SALAMANDER AG DM50(VAR)	150	36,133.21	30,994.87
SAP AG NON VTG PRF DM50	430	225,204.80	541,344.60
SG HOLDING AG NON VTG PRF DM50	2,000	423,925.60	459,504.40
SIEMENS AG DM50(VAR)	5,500	2,487,161.00	2,727,946.00
SGL CARBON DM5	15,040	604,148.70	670,448.70
SPRINGER(AXEL)VERL	1,200	673,385.10	676,251.70
SCHERING AG DM5	6,950	464,485.30	485,058.90
STRABAG AG DM50(VAR)	150	47,447.52	42,807.60
SKW TROSTBERG AG DEM5	25,000	529,130.10	523,806.10
THYSSEN AG DM50	3,100	545,105.70	576,728.60
VEBA AG DM50 (FRANKFURT QUOTE)	4,775	1,587,802.00	1,875,018.00
VIAG AG DM50	1,970	602,522.40	776,841.30
VOLKSWAGEN AG DM50(VAR)	5,880	1,692,707.00	1,697,175.00
VOLKSWAGEN AG NON VTG PRF DM50	600	142,830.50	132,215.90
WUNSCHER AG DM50	9,200	1,360,982.00	990,390.90
HONG KONG			
HSBC HLDGS HKD10(UK REG)	215,323	\$ 2,286,241.00	\$ 2,776,405.00
BANK OF EAST ASIA HK\$2.50	114,781	366,547.90	345,641.00
CATHAY PACIFIC AIR HKD0.20	2,826,000	4,070,342.00	4,127,147.00
CHEUNG KONG(HLDGS) HKD0.50	1,306,000	4,784,644.00	6,464,595.00
CHINA LIGHT&POWER HKD5	275,900	1,369,559.00	1,419,169.00
CHINESE ESTATES HL HKD0.10	218,000	185,793.80	156,368.30
DAIRY FARM INTL US\$0.05(SING QUOTE)	2,808,106	4,111,060.00	2,414,971.00
DONGFANG ELECT MAC 'H'CNY1	1,200,000	478,630.00	449,757.70
ELEC & ELTEK INTL HKD0.10	95,000	11,251.36	12,891.76
FOUNTAIN SET HLDGS HKD0.20	5,820,000	617,867.40	1,068,097.00
GIORDANO INTERNATI HKD0.1	90,000	47,630.59	66,882.07
GOLD PEAK INDS(HD) HKD0.50	1,800,000	654,770.70	767,689.80
GREAT WALL ELEC HKD0.10	1,999,000	482,519.70	173,096.00
GREAT WALL ELEC WTS 31/3/96(SUB ORD)	420,000	0.00	814.22
HANG LUNG DEVEL CO HKD1	182,000	275,303.40	289,318.30
HANG SENG BANK HKD5	267,900	1,776,488.00	2,042,792.00
HANG LUNG DEVEL WTS 31/10/97(PUR ORD)	32,000	0.00	5,500.48
HONG KONG CHIN GAS	1,600	0.00	244.01
HON KWOK LAND INV HKD0.50	1,942,000	509,293.60	539,618.70
HONG KONG AIRCRAFT HKD1	27,600	125,189.00	71,697.57
HONG KONG ELECTRIC HKD1	1,250,300	3,411,457.00	4,249,808.00
WHARF(HLDGS) HKD1	302,000	1,083,523.00	985,525.00
HONGKONG&SHANG HOT HKD0.50	148,000	196,348.60	182,668.80
HONG KONG TELECOMM HKD0.50	3,032,800	5,773,432.00	5,997,007.00

Description	Shares		Book		Market
HONG KONG (Cont'd)					
HSBC HLDGS HK\$10(HK REG)	480,200	\$	3,609,228.00	\$	6,159,593.00
HONG KONG CHIN GAS HK\$0.25	303,440		490,692.00		484,327.50
HOPEWELL HLDGS HK\$0.50	609,019		516,133.90		515,550.80
HUTCHISON WHAMPOA HKD0.25	1,682,000		6,633,419.00		8,130,120.00
HYSAN DEVELOPMENT HKD5	143,000		360,847.30		327,121.20
JOHNSON ELEC HLDGS HKD0.10	57,000		132,121.20		114,920.80
KUMAGAI GUMI(HK) HKD1	30,000		31,210.93		25,589.66
LAI SUN GARMT INTL HKD0.50	24,000		45,032.42		24,969.31
LI & FUNG HKD0.10	1,000,000		581,506.40		749,596.10
GRAND HOTEL HLDGS 'A'HKD0.10	1,161,000		328,139.80		382,623.60
MIRAMAR HTEL & INV HKD0.70	73,000		175,874.60		149,066.20
NEW WORLD DEVEL CO HK\$1	1,333,174		3,952,133.00		4,436,734.00
ORIENTAL PRESS GRP HKD0.25	183,000		118,522.60		73,909.53
PEREGRINE INVMNT HKD0.60	440,400		788,582.70		626,093.70
PLAYMATES PROP HLD HKD0.10	4,066		2,774.39		683.14
PLAYMATES TOY HLDG HKD0.10	44,000		13,098.54		12,368.34
REGAL HOTELS INTL HKD0.10	186,000		47,985.33		36,779.32
SHANGRI-LA ASIA HKD1	141,580		186,611.30		168,340.70
SHUN TAK HLDGS HKD0.25	4,220,000		3,734,048.00		3,354,184.00
STH CHINA MORN PST HKD0.10	4,245,000		2,574,163.00		2,551,115.00
SUN HUNG KAI PROP HKD0.50	921,300		6,356,268.00		6,816,727.00
STELUX HLDGS INTL HKD0.10	126,000		49,002.94		37,046.85
SWIRE PACIFIC 'A'HKD0.60	222,000		1,544,481.00		1,692,795.00
SWIRE PACIFIC 'B'HKD0.12	2,700,000		2,903,196.00		3,280,129.00
TAI CHEUNG HLDGS HKD0.10	40,750		53,257.03		35,812.60
TELEVISION BROADCA HKD0.05	56,000		217,595.10		196,859.50
WING LUNG BANK HKD5	23,340		131,628.30		131,820.10
WINSOR INDUSTRIAL HKD0.50	43,000		61,870.70		57,240.71
WHEELOCK & COMPANY HKD0.50	1,900,000		3,197,834.00		3,155,412.00
YUE YUEN INDL HKD0.10	3,892,000		921,208.60		945,649.10
YAOHAN HONGKONG CP HKD0.25	3,180,000		776,792.50		258,920.80
HUNGARY					
PICK SZEGED RT	7,000	\$	517,540.60	\$	375,655.00
RICHTER GEDEON VEG HUF1000 (ORD)	17,200		259,016.50		285,303.10
INDONESIA					
INDOSAT ADS REPR 10 SER'B'SHS	80,000	\$	3,066,793.00	\$	3,060,000.00
BARITO PAC TIMBER IDR1000(ALIEN MKT)	2,010,000		3,196,884.00		2,888,190.00
BDNI (BK DAGANG NA IDR1000(ALIEN MKT)	194,000		277,586.50		339,739.60
GADJAH TUNGGAL IDR1000(ALIEN MKT)	314,000		352,465.10		451,189.90
HM SAMPOERNA IDR1000(ALIEN MKT)	357,000		1,863,456.00		2,805,344.00
HADTEX INDOSYNTEC IDR1000(ALIEN MKT)	900,000		1,037,662.00		585,990.10
INDORAMA SYNTHETIC IDR1000(ALIEN MKT)	563,503		1,175,720.00		1,695,317.00
JAKARTA INTL HTLS IDR1000(ALIEN MKT)	306,000		270,878.30		384,732.80
MATAHARI PUTRA IDR1000(ALIEN MKT)	119,000		182,548.20		189,694.70
PAN BROS TEXTILES IDR1000(ALIEN MKT)	30,000		10,006.68		9,429.73
SMART(SINAR MAS) IDR1000(ALIEN MKT)	166,000		180,188.10		175,168.40
UTD TRACTORS IR IDR1000(ALIEN MKT)	109,000		218,182.20		232,487.70
INDORAMA SYNTHETIC S.R 13.07.95	93,900		0.00		71,679.39
MATAHARI PUTRA S/R 04/08/1995	59,500		0.00		57,442.75
IRELAND					
INDEPENDENT NEWS ORD I£0.25	8,700	\$	43,511.95	\$	49,704.52
ALLIED IRISH BANKS	58,800		232,340.60		280,105.40
ARAN ENERGY ORD I£0.20(DUBLIN LISTING)	17,900		8,811.87		11,208.19

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Description	Shares	Book	Market
IRELAND (Cont'd)			
CRH ORD I£0.25(DUBLIN LISTING)	121,200	\$ 702,391.80	\$ 811,478.70
CREAN(JAMES)	4,200	17,258.76	15,332.23
FYFFES ORD I£0.05(DUBLIN LISTING)	23,500	35,946.21	42,701.39
GREENCORE GROUP ORD I£1	5,889	33,020.52	44,538.41
IRISH LIFE ORD I£0.10(DUBLIN LISTING)	26,800	82,145.01	89,279.22
KERRY GROUP 'A'ORD I£0.10(DUBLIN LIST)	14,600	74,073.24	96,079.36
SMURFIT(JEFFERSON)	95,600	250,032.90	288,739.00
WATERFRD WEDGEWOOD	44,400	36,339.77	38,522.11
WOODCHESTER INVEST	16,449	31,738.58	41,737.11
ITALY			
AEDES DI RISP ITL500(NON CNV)	1,000	\$ 4,599.32	\$ 3,231.52
AEDES ITL500	2,000	18,528.48	12,461.82
MONTEDISON SPA ITL1000	642,100	593,862.50	459,315.30
ALITALIA LINEE ITL1000	72,000	55,528.54	34,306.66
ALITALIA LINEE PRIV ITL1000	22,000	11,985.28	7,324.37
BCA NAZ AGRICOLT	5,500	0.00	1,898.29
ASSICUR GENERALI ITL2000	95,715	2,403,447.00	2,248,162.00
BCA NAZ AGRICOLT PRIV ITL500	15,000	13,998.27	6,459.99
BCA NAZ AGRICOLT ITL500	35,200	71,845.12	26,727.91
BCA NAZ AGRICOLT	11,000	9,535.78	3,897.37
BCA COMM ITALIANA ITL1000	203,000	516,023.20	458,827.10
BANCO AMBROS LIRE1000	51,700	151,634.30	170,859.50
BCO AMBROS VENETO	15,900	32,785.70	21,562.61
BENETTON GROUP SPA ITL500	21,100	326,760.80	208,873.30
BURGO(CARTIERE)SPA	4,000	611.24	351.86
BCA COMM ITALIANA	25,000	12,743.45	12,675.63
BURGO(CARTIERE)SPA ITL5000	12,300	83,253.75	81,148.44
CEMENTIR SPA ITL1000	18,000	23,172.80	15,394.01
IMPREGILO SPA ITL1000	31,400	46,909.58	30,306.66
CREDITO ITALIANO ITL500	272,800	360,699.00	316,128.00
DALMINE SPA ITL300	107,000	33,234.89	25,099.57
DANIELI & C ITL2000	3,000	24,090.76	19,242.52
DANIELI & C DI RISP ITL2000(NON CNV)	3,000	13,262.47	9,117.29
FIDIS ITL1000	336,550	749,874.60	717,507.30
FALCK ACC FER LOM ITL2500	10,100	37,703.38	14,190.59
MONTEDISON SPA	81,200	60,167.24	50,545.38
FIAT SPA ITL1000	673,700	2,394,135.00	2,374,618.00
FIAT SPA PRIV ITL1000	114,000	291,921.60	247,916.90
FIAT SPA DI RISP ITL1000 (NON CNV)	88,000	218,745.40	189,493.00
FRANCO TOSI SPA ITL1000	2,960	40,259.17	27,484.42
MAGNETI MARELLI ITL1000	41,500	106,681.90	79,856.44
FRANCO TOSI SPA WTS 30/11/97(PUR ORD)	560	222.59	106.83
ISTIT BCO SAN PAOL ITL10000	89,100	580,268.50	482,511.60
ITALCEMENTI ITL2000	18,430	163,278.50	126,938.50
ITALGAS(SOC ITAL) ITL1000	81,100	266,943.50	210,552.80
ITALCEMENTI DI RISP ITL2000(NON CNV)	10,000	45,389.10	31,154.56
LA PREVIDENTE ITL1000	4,100	43,400.92	29,529.02
ITALCEMENTI WTS 31/12/96(PUR ORD)	3,330	658.80	711.97
MARZOTTO & FIGLI ITL1000	130,700	827,318.40	814,380.00
MEDIOBANCA SPA ITL1000	57,700	569,486.30	418,915.40
OLIVETTI & C SPA ITL1000	122,600	200,729.90	119,679.20
OLIVETTI & C SPA	7,000	9,816.41	4,806.35
OLIVETTI & C SPA PRIV ITL1000	2,000	3,682.90	2,480.15
PIRELLI SPA ITL1000	179,600	307,317.90	238,625.50
PIRELLI SPA DI RISP ITL1000(NON CNV)	8,000	11,468.45	8,195.48

Description	Shares		Book	Market
ITALY (Cont'd)				
RAS WTS(TO PURCH RISP)31/12/97	25,300	\$	35,560.94	\$ 59,347.59
RAS WTS(TO PURCH ORD)31/12/97	4,716		11,087.46	19,589.98
PARMALAT FINANZ ITL1000	117,300		168,234.90	104,187.10
RAS ITL1000	32,993		454,390.30	349,177.60
RAS DI RISP ITL1000(NON CNV)	173,910		1,309,360.00	1,106,990.00
RAS WTS 31/12/95(PUR D RISP)	20,425		5,242.54	10,355.99
RINASCENTE(LA) ITL1000	17,500		112,644.50	99,366.22
RINASCENTE(LA) PRIV ITL1000	3,000		11,634.35	7,880.27
RINASCENTE(LA)	5,000		20,708.19	13,072.69
RISANAMENTO (SOC)	1,600		33,442.04	20,623.09
SASIB WTS 31/7/97(PUR ORD)	1,116		983.15	811.26
SAFFA SPA ITL1000	7,000		26,805.97	22,748.93
SOC ASSIC IND DI RISP ITL1000(NON CNV)	4,000		32,419.58	17,080.02
EDISON ITL1000	76,700		372,060.10	342,034.20
SMI (SOC MET ITAL) ITL1000	22,000		14,495.12	7,364.69
SME(MERIDONALE DI) ITL 1000	45,000		111,392.60	112,156.40
SOC ASSIC IND ITL1000	11,900		167,378.30	127,178.10
SAIPEM ITL1000	40,800		98,254.14	81,749.55
SASIB ITL1000	8,816		47,211.25	40,929.51
SASIB DI RISP ITL1000(NON CNV)	5,000		17,726.49	13,408.67
TELECOM ITALIA ITL1000	1,297,500		2,819,156.00	3,515,218.00
TELECOM ITALIA	175,000		404,161.50	369,883.90
SIRTI SPA ITL1000	26,500		203,093.00	195,876.60
SNIA BPD DI RISP ITL1000(NON CNV)	7,000		6,357.52	4,297.50
SNIA BPD ITL1000	69,300		101,516.10	79,502.38
JAPAN				
BK OF YOKOHAMA	1	\$	110.07	\$ 84.81
KAO CORP ADR(REP 10 ORD Y50)	34		3,670.50	4,029.00
ASAHI BANK Y50 ADR	30		3,286.40	3,197.88
AIDA ENGINEERING Y50	7,000		54,575.36	47,573.62
AJINOMOTO CO INC Y50	70,000		892,630.80	718,139.00
ALPS ELECTRIC CO Y50	10,000		137,431.30	104,593.60
AMADA CO Y50	17,000		189,441.90	145,170.80
AMANO CORP Y50	7,000		115,482.50	82,449.94
AOKI CORP Y50	37,000		162,736.90	134,228.50
AOYAMA TRADING Y50	6,000		207,055.10	100,353.40
ARABIAN OIL CO Y500	3,000		145,816.20	126,855.10
ASAHI BREWERIES Y50	42,000		462,208.50	483,321.60
ASAHI CHEM INDUST Y50	137,000		963,794.30	898,810.40
ASAHI GLASS CO Y50	119,000		1,362,964.00	1,311,943.00
ASAHI OPTICAL CO Y50	9,000		49,560.24	30,106.01
ASHIKAGA BANK Y50	42,000		316,920.50	296,819.80
ASICS CORP Y50	11,000		50,094.99	30,447.59
BANYU PHARM Y50	16,000		146,987.60	188,268.60
BRIDGESTONE CORP Y50	66,000		932,353.90	971,731.50
BROTHER INDUSTRIES Y50	16,000		109,233.70	71,613.66
CANON INC Y50	140,000		1,855,347.00	2,275,618.00
CASIO COMPUTER CO Y50	44,000		456,132.40	396,466.40
CHIBA BK Y50	79,000		699,168.60	716,490.00
CHIYODA CORP Y50	19,000		228,576.30	161,130.80
CHUGAI PHARMA CO Y50	29,000		327,939.50	293,074.20
CITIZEN WATCH CO Y50	43,000		335,340.60	265,901.10
CSK CORP Y50	5,000		158,959.20	115,429.90
COSMO OIL CO Y50	43,000		333,058.80	242,603.10
DAIEI INC Y50	49,000		740,180.50	594,464.10

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Description	Shares	Book	Market
JAPAN (Cont'd)			
DAIFUKU Y50	9,000	\$ 114,459.10	\$ 100,600.70
DAIICHI PHARM CO Y50	17,000	257,961.50	248,292.10
DAI-ICHI KANGYO BK Y50	271,000	5,032,544.00	4,883,746.00
DAITO TRUST CONS. Y50	9,000	224,074.20	84,275.62
DAICEL CHEM IND Y50	22,000	125,526.10	112,461.70
DAIDO STEEL CO Y50	24,000	118,360.80	113,074.20
DAIKIN INDUSTRIES Y50	29,000	237,599.40	232,956.40
DAIMARU INC Y50	16,000	129,686.50	81,036.51
DAI NIPPO INK&CHEM Y50	54,000	267,135.60	230,883.40
DAI NIPPON PRINTNG Y50	77,000	1,267,680.00	1,224,382.00
DAIKYO INC Y50	14,000	149,156.00	98,939.93
DAISHOWA PAPER MFG Y50	18,000	207,073.10	80,565.37
DAINIPPON SCREEN Y50	10,000	71,131.81	67,137.81
DAIWA HOUSE IND CO 50	46,000	685,619.90	704,358.10
DAIWA KOSHO LEASE Y50	11,000	108,221.40	101,060.10
DAIWA SEC CO Y50	118,000	1,709,291.00	1,242,544.00
EAST JAPAN RAILWAY Y50000	450	2,202,133.00	2,305,654.00
EBARA CORP Y50	29,000	458,917.30	351,825.70
EISAI CO Y50	18,000	304,572.50	307,420.50
DENKI KAGAKU KOGYO Y50	27,000	103,142.20	89,681.98
EZAKI GLICO CO Y50	8,000	86,999.64	70,294.46
FUJI BANK Y50	255,000	5,523,971.00	5,136,042.00
FUJI PHOTO FILM CO Y50	89,000	1,860,006.00	2,107,067.00
FUJIKURA Y50	20,000	170,605.60	117,078.90
FUJITA CORP Y50	28,000	167,866.80	131,590.10
FUJITA KANKO INC Y50	7,000	152,618.20	154,181.40
FANUC Y50	23,700	920,864.40	1,021,696.00
FUJITSU Y50	165,000	1,579,716.00	1,642,226.00
FURUKAWA ELEC CO Y50	66,000	413,231.30	310,954.10
GAKKEN CO Y50	6,000	49,878.67	36,819.79
GUNMA BANK Y50	35,000	378,411.70	416,372.20
GUNZE Y50	13,000	87,673.05	80,694.94
HANKYU CORP Y50	84,000	486,702.50	503,604.20
HANKYU DEPART STOR Y50	10,000	128,489.50	117,785.60
HASEKO CORP Y50	26,000	182,044.40	122,497.10
SEIKO CORP (TOK) Y50	8,000	79,462.36	60,588.93
HAZAMA CORP Y50	30,000	132,923.60	124,735.00
HIGO BANK Y50	15,000	116,670.60	146,643.10
HIROSE ELECTRIC Y50	2,000	119,345.30	123,674.90
HITACHI Y50	1,006,000	7,433,160.00	10,012,603.00
HOKKAIDO BANK Y50	25,000	112,555.30	88,339.22
HOKURIKU BANK Y50	47,000	340,171.80	343,227.30
HONDA MOTOR CO Y50	163,000	2,261,677.00	2,495,878.00
HONSHU PAPER CO Y50	20,000	134,872.00	117,078.90
HOUSE FOOD INDU CO Y50	7,000	142,372.60	146,760.90
HOYA CORP Y50	8,000	157,034.10	235,571.30
INAX Y50	15,000	156,496.80	144,346.30
IND BANK JAPAN Y50	204,000	6,173,144.00	5,310,247.00
ISETAN CO Y50	13,000	225,309.50	176,089.50
ISHIHARA SANGYO Y50	24,000	96,977.81	71,236.75
ITOCHU CORP Y50	97,000	626,599.00	565,547.70
ITOHAM FOOD Y50	13,000	105,857.80	99,528.86
ITO-YOKADO CO Y50	38,000	1,852,974.00	2,000,707.00
IWATANI INTL CORP Y50	14,560	84,626.92	68,426.86
JACCS CO ORD YEN 50	10,000	114,136.90	93,050.65
JEOL Y50	5,000	38,496.02	32,391.05

Description	Shares	Book	Market
JAPAN (Cont'd)			
NIPPON SHOKUBAI CO Y50	11,000	\$ 109,345.80	\$ 97,043.58
JAPAN STEEL WORKS Y50	22,000	78,462.81	48,975.27
JAPAN METAL & CHEM Y50	9,000	56,003.13	41,130.74
JAPAN AIR LINES CO Y50	172,000	1,104,389.00	1,140,589.00
JGC CORP Y50	11,000	151,983.60	106,890.50
JOYO BANK Y50	69,000	564,935.70	583,533.60
NIPPON PAPER INDS Y50	91,000	548,655.70	589,517.10
JUSCO CO Y50	36,000	728,055.60	746,289.80
KAJIMA CORP Y50	91,000	813,710.80	902,497.10
KAKEN PHARM Y50	7,000	98,246.55	66,372.20
KAMIGUMI CO Y50	15,000	180,103.60	150,176.70
KANEBO Y50	29,000	111,264.00	63,875.15
KANEKA CORP Y50	21,000	144,150.60	135,053.00
KANSAI ELEC Y500	74,400	1,888,443.00	1,998,021.00
KANDENKO CO Y50	12,100	235,421.70	165,323.90
KANSAI PAINT CO Y50	20,000	98,637.42	100,824.50
KAO CORP Y50	67,000	751,257.10	804,947.00
ONWARD KASIYAMA CO Y50	9,000	117,899.50	121,908.10
KATOKICHI Y50	4,000	105,907.70	82,449.94
KAWASAKI STEEL CO Y50	287,000	1,092,793.00	939,764.40
KAWASAKI KISEN KAI Y50	33,000	120,844.10	85,512.37
KEIHIN ELECT EXP Y50	28,000	182,651.20	184,687.90
KIKKOMAN CORP Y50	14,000	118,708.90	97,126.03
KINDEN CORP Y50	16,500	262,266.30	307,067.10
KINKI NIPPON RAIL Y50	146,000	1,136,003.00	1,279,435.00
KIRIN BREWERY CO Y50	98,000	1,145,263.00	1,038,869.00
KISSEI PHARM CO Y50	4,400	166,792.40	139,411.10
KOBE STEEL LIMITED Y50	270,000	733,945.60	642,402.80
KOKUYO CO Y50	8,000	186,572.30	179,034.20
KOMATSU Y50	94,000	769,709.90	716,348.70
KOMORI CORP Y50	4,000	110,587.10	81,507.66
KONAMI CO Y50	2,000	68,091.24	34,864.55
KONICA CORPORATION Y50	21,000	141,199.40	128,374.60
TOKYO DOME CORP Y50	16,000	294,120.30	244,994.10
KOYO SEIKO CO Y50	15,000	123,521.30	111,307.40
KUBOTA CORP Y50	135,000	875,440.20	858,657.30
KUMAGAI GUMI CO Y50	66,000	307,846.10	275,971.70
KURABO INDUSTRIES Y50	16,000	71,303.38	57,667.84
KURARAY CO Y50	18,000	199,529.70	195,265.00
KUREHA CHEMICAL IN Y50	13,000	74,743.16	52,061.25
KURITA WATER INDS Y50	7,000	177,430.50	179,740.90
KYOCERA CORP Y50	16,000	909,900.90	1,315,430.00
ASAHI BANK Y50	209,000	2,272,421.00	2,227,856.00
KYOWA HAKKO KOGYO Y50	43,000	400,948.30	415,312.10
KYUSHU MATSUSHITA Y50	15,000	269,760.50	259,717.30
KYUDENKO CORP Y50	6,000	91,375.39	83,392.23
LION CORP Y50	16,000	111,246.10	92,343.93
MAEDA ROAD CONS CO Y50	5,000	96,350.90	96,584.22
MAKINO MILLING Y50	7,000	52,689.92	40,565.37
MAKITA CORP Y50	23,000	372,297.90	314,252.10
MARUDAI FOOD CO Y50	9,000	71,878.34	60,106.01
MARUBENI CORP Y50	141,000	724,952.90	715,795.10
MARUI CO Y50	38,000	580,355.30	604,240.30
MATSUSHITA ELC IND Y50	418,000	4,920,320.00	6,498,940.00
MEIJI MILK PROD CO Y50	16,000	124,097.10	89,893.99
MEIJI SEIKA KAISHA Y50	22,000	140,775.50	128,268.60

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Description	Shares	Book	Market
JAPAN (Cont'd)			
CREDIT SAISON CO Y50	8,000	\$ 198,817.30	\$ 172,438.20
MISAWA HOMES Y50	10,000	107,537.70	84,334.51
MITSUBISHI EST CO Y50	116,000	1,345,800.00	1,304,829.00
MITSUBISHI CORP Y50	143,000	1,572,936.00	1,625,383.00
MITSUBISHI TR&BKG Y50	114,000	1,687,746.00	1,611,307.00
MITSUBISHI WAREHSE Y50	11,000	179,336.30	150,294.50
MITSUBISHI GAS Y50	28,000	131,838.70	118,727.90
MITSUBISHI CHEMICA Y50	188,300	947,540.10	805,098.90
MITSUBISHI ELECT Y50	192,000	1,129,754.00	1,347,845.00
MITSUBISHI HVY IND Y50	332,000	2,152,953.00	2,252,438.00
MITSUBISHI MATERLS Y50	103,000	525,325.80	461,013.00
MITSUBISHI PAPER Y50	18,000	120,497.00	94,558.30
MITSUBISHI OIL CO Y50	181,000	1,748,746.00	1,735,383.00
MITSUBISHI STEEL Y50	8,000	48,031.69	38,916.37
MITSUMI TRUST & BKG Y50	82,000	901,493.10	753,356.90
MITSUMI & CO Y50	145,000	1,062,677.00	1,130,624.00
MITSUMI MINING & SM Y50	28,000	115,947.50	83,109.54
MITSUMI ENG&SHIPBG Y50	74,000	235,949.40	160,376.90
MITSUMI O.S.K LINES Y50	75,000	283,503.10	207,597.20
MITSUMI FUDOSAN Y50	77,000	869,331.20	880,647.80
MITSUMI TOATSU CHEM Y50	51,000	196,255.60	187,420.50
MITSUMI SOKO Y50	11,000	93,549.60	79,681.98
MOCHIDA PHARM CO Y50	12,200	195,580.90	186,808.00
SAKURA BANK Y50	293,000	3,920,400.00	3,054,240.00
MORI SEIKI CO Y50	5,000	116,674.60	88,928.15
MURATA MFG CO Y50	33,000	977,661.90	1,247,703.00
NGK INSULATORS Y50	34,000	339,258.30	307,962.30
NGK SPARK PLUG CO Y50	12,000	155,021.10	132,862.20
NAGASE & CO Y50	11,000	104,635.60	86,030.62
NAGOYA RAILROAD CO Y50	54,000	310,570.90	284,947.00
NANKAI ELEC RLWY Y50	31,000	257,809.80	227,114.30
NICHII Y50	16,000	236,336.90	173,568.90
NICHIDO FIRE Y50	29,000	234,535.90	233,981.20
NINTENDO CO Y50	25,000	1,672,238.00	1,434,040.00
NIHON CEMENT CO Y50	25,000	175,658.80	151,649.00
NIIGATA ENGINE CO Y50	19,000	86,696.94	55,948.17
NIPPON DENKO Y50	9,000	38,707.59	27,561.84
NIPPON DENSO Y50	72,000	1,300,578.00	1,306,007.00
NEC CORP Y50	266,000	2,139,815.00	2,910,648.00
NKK CORP Y50	315,000	879,613.30	738,339.20
NOF CORP Y50	17,000	114,258.90	91,307.42
NIPPON BEET SUGAR Y50	12,000	61,718.76	46,925.80
NIPPON MEAT PACKER Y50	26,000	377,925.50	379,740.90
NICHIREI CORP Y50	17,000	121,263.60	102,921.10
NIPPON SUISAN KAI Y50	21,000	94,652.07	99,187.28
NISHIMATSU CONS CO Y50	16,000	181,758.00	188,457.00
NIPPON LIGHT METAL Y50	47,000	291,355.20	213,133.10
JAPAN ENERGY CORP Y50	106,000	417,576.00	343,345.10
NIPPON TEL&TEL CP Y50000	370	3,386,930.00	3,094,229.00
NIPPON OIL CO Y50	123,000	833,529.10	772,190.80
NIPPON SHEET GLASS Y50	25,000	133,999.00	111,601.90
NORITAKE CO Y50	12,000	95,172.78	80,141.34
NSK Y50	38,000	262,125.10	218,869.30
NISSIN FOOD PROD Y50	9,000	230,128.40	220,494.70
NITTO DENKO CORP Y50	9,000	131,767.80	139,929.30

Description	Shares	Book	Market
JAPAN (Cont'd)			
NIPPON EXPRESS CO Y50	99,000	\$ 932,935.50	\$ 909,540.60
YAMAHA CORP Y50	15,000	191,921.10	163,427.60
MINEBEA CO Y50	22,000	157,287.10	140,965.80
NIPPON COMSYS CORP Y50	8,400	99,691.57	101,908.10
NIPPON SHARYO Y50	9,000	100,926.30	72,826.86
NIPPON STEEL CORP Y50	566,000	1,933,319.00	1,840,000.00
NISSAN MOTOR CO Y50	220,000	1,710,740.00	1,404,476.00
NISSHINBO INDS INC Y50	15,000	164,167.30	118,197.90
NISSIN CORP Y50	111,000	610,026.30	458,904.60
NOMURA SECURITIES Y50	173,000	3,489,556.00	3,015,783.00
NIPPON FIRE&MARINE Y50	53,000	371,194.80	333,356.90
NIPPON SHINPAN CO Y50	18,000	168,914.70	115,335.70
NIPPON YUSEN KK Y50	119,000	706,101.60	665,783.30
NTN CORP Y50	27,000	173,235.80	159,010.60
ODAKYU ELECT RAIL Y50	74,000	521,404.70	536,914.00
OBAYASHI CORP Y50	77,000	498,807.10	591,331.00
NEW OJI PAPER CO Y50	77,000	719,473.30	739,163.70
OKAMOTO INDUSTRIES Y50	10,000	82,008.07	56,537.10
OKUMA CORP Y50	8,000	65,889.90	50,883.39
OKUMURA CORP Y50	15,000	133,864.70	142,226.20
OLYMPUS OPTICAL CO Y50	35,000	328,199.80	287,338.00
OMRON CORP Y50	15,000	248,278.50	286,219.10
CHICHIBU ONODA CEM Y50	39,000	227,450.60	177,314.50
ORIENT CORP Y50	21,000	141,533.80	104,876.30
ORIX CORP Y50	5,000	194,458.10	166,077.70
OSAKA GAS Y50	249,000	1,132,343.00	917,985.90
PENTA OCEAN CONST Y50	34,000	230,486.60	216,254.40
PIONEER ELEC Y50	25,000	597,468.70	424,028.30
QP CORP Y50	9,000	101,303.50	82,473.50
RENGO Y50	50,000	404,462.60	342,756.20
RENOWN INC Y50	21,000	102,240.80	61,837.46
RICOH CO Y50	44,000	376,595.10	377,290.90
ROHM CO Y50	10,000	394,840.80	515,901.10
SAGAMI RAILWAY Y50	23,000	119,885.80	107,279.20
SANDEN CORP Y50	8,000	48,567.66	38,822.14
SANKYO CO Y50	43,300	886,039.40	1,004,723.00
SANKYO ALUMINIUM Y50	14,000	93,130.05	66,784.45
SANRIO CO Y50	5,000	83,762.28	51,177.86
SANYO ELEC CO Y50	172,000	818,535.20	844,805.70
SANWA SHUTTER CORP Y50	14,000	125,203.00	105,041.20
SAPPORO BREWERIES Y50	20,000	180,672.10	186,572.40
SECOM Y50	11,000	703,509.40	690,577.20
SEGA ENTERPRISES Y50	10,100	687,585.60	358,080.10
SEINO TRANS CO Y50	10,000	174,225.40	168,433.50
SEIYU Y50	15,000	199,004.30	183,745.60
SEKISUI CHEM Y50	38,000	386,681.60	447,585.40
SEKISUI HOUSE Y50	59,000	728,797.80	729,682.00
SETTSU CORP Y50	12,000	54,064.50	36,749.12
SEVEN ELEVEN NPV	31,000	2,050,991.00	2,216,372.00
SHARP CORP Y50	186,000	2,242,379.00	2,453,710.00
77TH BANK Y50	26,000	246,991.70	290,624.30
SHIMIZU CORP Y50	72,000	670,659.30	695,406.40
SHIMACHU Y50	4,000	165,069.70	101,295.60
SHIN-ETSU CHEM CO Y50	35,000	633,148.50	614,252.10
SHIONOGI & CO Y50	21,000	192,127.30	185,265.00
SHIMANO INDS Y50	8,000	194,462.70	138,515.90

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Description	Shares	Book	Market
JAPAN (Cont'd)			
SHISEIDO CO Y50	33,000	\$ 380,810.90	\$ 371,201.40
SHOKUSAN JUTAKU CO Y50	8,000	42,990.40	26,383.98
SHIZUOKA BANK Y50	81,000	1,029,510.00	1,011,307.00
SHOCHIKU CO Y50	6,000	74,604.38	66,360.42
SHOWA DENKO KK Y50	97,000	307,216.00	285,630.20
SKYLARK CO Y50	6,000	141,199.90	93,286.22
SNOW BRAND MILK Y50	19,000	143,203.20	148,822.10
SONY CORP Y50	111,500	4,960,013.00	5,345,171.00
SUMITOMO BANK Y50	278,000	5,655,379.00	4,813,428.00
SUMITOMO OSAKA CEM Y50	44,000	216,849.60	161,177.90
SUMITOMO CHEMICAL Y50	161,000	725,971.40	629,587.80
SUMITOMO ELECT IND Y50	65,000	867,038.10	773,262.70
SUMITOMO HEAVY IND Y50	33,000	134,571.60	92,508.83
SUMITOMO M'NE&FIRE Y50	45,000	412,546.90	356,713.80
SUMITOMO METAL IND Y50	304,000	918,532.70	791,331.00
SUMITOMO METAL MNG Y50	50,000	425,780.70	368,669.00
SUMITOMO FORESTRY Y50	15,000	270,692.90	249,116.60
SUMITOMO CORP Y50	98,000	889,774.70	891,119.00
TDK CORP Y50	10,000	270,945.30	454,652.50
TAISEI CORP Y50	95,000	649,649.00	560,600.70
MITSUI MARINE FIRE Y50	49,000	387,280.10	320,895.20
TAISHO PHARM CO Y50	23,000	443,281.00	444,287.40
MARUHA CORP Y50	23,000	91,391.89	77,479.39
TAKARA SHUZO CO Y50	12,000	96,847.92	90,600.71
TAKASHIMAYA CO Y50	13,000	172,644.00	174,558.30
TAKEDA CHEMICAL IN Y50	86,000	996,305.30	1,134,511.00
ADVANTEST Y50	6,000	185,144.10	226,148.40
TAIYO YUDEN CO Y50	7,000	81,471.47	69,257.95
TAKUMA CO Y50	6,000	98,345.76	55,689.05
TAKARA STANDARD CO Y50	9,000	116,547.90	98,268.55
TANABE SEIYAKU CO Y50	14,000	123,817.40	104,546.50
TEIJIN Y50	92,000	442,405.90	439,952.90
TEIKOKU OIL CO Y50	17,000	123,260.30	100,117.80
BK OF TOKYO Y50	177,000	2,635,776.00	2,835,336.00
TOKYO BROADCASTING Y50	11,000	190,002.20	156,772.70
TOA CORP Y50	13,000	94,920.37	87,432.27
TOKIO MARINE &FIRE Y50	144,000	1,749,335.00	1,648,622.00
TOBU RAILWAY CO Y50	84,000	525,307.60	523,392.20
TOHO CO Y500	1,000	195,636.90	166,077.70
TOHOKU ELEC POWER Y500	33,900	898,921.20	938,339.20
TOKAI BANK Y50	178,000	2,242,818.00	1,970,789.00
TOKYO ELEC POWER Y500	119,400	3,605,645.00	3,656,537.00
TOKYO TATEMONO CO Y50	13,000	87,311.35	65,842.17
TOKYO GAS CO Y50	268,000	1,279,193.00	1,054,323.00
TOKYO ELECTRON Y50	13,000	374,658.70	444,051.80
TOKYOTOKEIBA CO Y20	18,000	106,853.60	71,448.76
TOKYU CORP Y50	101,000	701,109.50	647,161.40
TOKYO STYLE CO Y50	6,000	110,880.70	90,459.36
TOPPAN PRINTING CO Y50	64,000	830,573.10	836,749.10
TORAY IND INC Y50	134,000	869,602.90	831,778.60
TOSHIBA CORP Y50	222,000	1,078,062.00	1,404,170.00
TOTO Y50	36,000	620,087.30	513,074.20
TOYO ENGINEERING Y50	13,000	92,362.18	73,957.60
TOYO EXTERIOR CO Y50	3,000	108,644.80	68,904.59
TOYO KANETSU KK Y50	11,000	70,105.22	46,383.98
TOSTEM CORP Y50	15,000	495,579.70	461,130.70

Description	Shares	Book	Market
JAPAN (Cont'd)			
TOYO SEIKAN KAISHA Y50	14,000	\$ 402,470.00	\$ 408,951.70
TOSOH CORP Y50	34,000	127,409.20	127,750.30
TOYOBO CO Y50	66,000	266,818.70	217,667.90
TOYODA AUTO LOOM Y50	19,000	331,468.70	342,402.80
TOYOTA MOTOR CORP Y50	313,000	5,838,362.00	6,193,640.00
TSUBAKIMOTO CHAIN Y50	14,000	75,957.58	65,630.15
TSUGAMI CORP Y50	5,000	26,290.88	17,962.31
UBE INDUSTRIES Y50	83,000	288,681.60	289,375.70
UNI-CHARM CORP Y50	4,000	114,885.00	78,209.66
UNIDEN CORP Y50	3,000	98,415.49	44,522.97
UNITIKA Y50	27,000	92,958.90	68,692.58
YAMAGUCHI BANK Y50	14,000	247,132.30	267,137.80
YAMAICHI SECS CO Y50	108,000	888,165.30	577,526.50
YAMANOUCHI PHARM Y50	35,000	692,926.90	787,396.90
YAMAZAKI BAKING CO Y50	15,000	300,778.70	307,420.50
YAMATO TRANSPORT Y50	25,300	276,282.40	268,793.90
YASUDA TRUST & BKG Y50	101,000	876,823.80	660,247.40
YOKOGAWA ELEC CORP Y50	17,000	164,888.20	119,140.20
BANK OF YOKOHAMA Y50	77,000	713,676.20	653,003.50
MALAYSIA			
ALUMINIUM CO MALAY MYR1	9,000	\$ 9,840.78	\$ 13,289.58
AMSTEEL CP BERHAD MYR0.50	77,000	110,412.50	114,331.40
ANTAH HLDGS MYR0.50	14,000	11,565.01	12,518.46
AOKAM PERDANA BHD MYR1	23,000	135,787.60	57,075.47
AMMB HOLDINGS BHD MYR1	23,000	226,910.30	273,584.90
COMMERCE ASSET-HLD MYR1	23,000	92,940.47	117,924.50
HONG LEONG PROPS MYR0.50	87,000	127,326.70	117,760.50
PROMET BHD MYR1	38,000	40,484.94	34,290.40
DCB HLDGS BERHAD MYR1	92,000	217,357.60	269,811.30
GOLDEN PLUS HLDGS MYR1	16,333	52,888.93	36,846.39
EDARAN OTOMOBIL MYR1	25,000	177,860.40	244,052.50
EKRAN BHD MYR1	18,000	63,762.31	55,373.26
FABER GROUP BERHAD MYR1	95,000	115,912.90	91,570.96
LAND & GENERAL BHD MYR1	52,500	145,136.20	175,502.50
GUINNESS ANCHOR BD MYR0.50	33,000	55,411.88	59,286.30
GOLDEN HOPE PLANTS MYR1	117,000	189,579.60	214,995.90
HIGHLANDS&LOWLANDS MYR0.50	73,000	112,986.80	140,131.30
HONG LEONG INDS MYR0.50	15,000	81,038.28	93,519.28
HUME INDS(M)BHD MYR1	30,000	124,760.30	163,658.70
IGB CORP BERHAD MYR0.50	55,000	52,282.20	51,886.79
IDRIS HYDRAULIC(M) MYR0.50	63,000	108,674.70	85,791.63
IOI CORP MYR0.50	87,000	102,471.90	114,192.00
JOHAN HOLDINGS MYR0.50	21,000	19,396.42	19,294.50
RJ REYNOLDS BHD MYR1	27,000	45,942.91	51,829.37
KEMAYAN CORP BHD MYR0.50	17,000	30,615.17	28,589.01
KIAN JOO CAN FCTRY MYR0.50	13,500	39,899.14	52,881.46
KUALA LUMPUR KEPG MYR1	41,000	84,339.72	130,332.20
LANDMARKS MYR1	29,000	60,243.04	40,442.99
LION LAND BHD MYR1	5,500	4,945.66	6,655.05
MBF CAPITAL BHD MYR1	68,000	76,166.00	79,212.47
MAGNUM CP BHD MYR0.50	119,000	268,336.80	278,219.90
MALAYAN BKG BHD MYR1	132,000	846,968.30	1,044,955.00
MALAYAN CEMENT BHD MYR0.50	22,000	39,193.32	37,538.97
MALAYSIA MINING CP MYR0.10	45,000	77,127.73	81,583.26
MALAY AIRLINE SYST MYR1	80,000	214,352.20	270,713.70

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Description	Shares	Book	Market
MALAYSIA (Cont'd)			
MALAYSIAN PACIFIC MYR0.50	14,000	\$ 23,325.82	\$ 35,028.71
MALAYAN UTD INDS MYR1	68,000	100,155.30	117,145.20
MALAYAWATA STEEL MYR1	11,000	20,241.90	22,018.05
MALAYSIAN HELICOPT MYR1	200	748.90	342.90
MALAYSIAN MOSAICS MYR1	19,000	25,080.99	26,341.26
MALAYSIAN OXYGEN MYR0.50	12,500	35,851.86	48,195.24
MALAYSIAN RES CP MYR1	63,000	122,268.10	111,115.70
MALAYSIAN INT SHIP MYR1(ALIEN MKT)	992,332	2,498,997.00	2,910,244.00
METROPLEX BERHAD MYR0.50	81,000	74,684.87	76,415.09
KEDAH CEMENT HLDGS MYR1	36,000	54,457.16	57,292.86
MULPHA INTL BHD MYR0.50	76,000	109,499.70	92,272.36
MULTI-PURPOSE HLDG MYR1	89,000	151,119.60	156,972.90
MYCOM BHD MYR1	28,666	50,224.48	38,801.39
NESTLE MALAY BHD MYR1	26,000	170,489.80	199,425.80
NEW STRAITS TIMES MYR1	13,000	42,557.39	40,258.41
ORIENTAL HLDGS BHD MYR1	15,000	73,525.25	79,983.60
PALMCO HLDGS BHD MYR1	12,000	12,199.01	15,750.62
PAN MALAYSIA CEMT MYR0.50	12,000	18,825.94	42,329.78
PERLIS PLANTATIONS MYR1	35,000	107,429.90	116,283.80
PETALING GARDEN BD MYR0.50	23,000	30,317.89	29,622.64
PILECON ENGR BHD MYR0.50	14,000	22,814.63	17,916.32
PERUSAHAAN OTOMOBL MYR1	60,000	224,220.00	216,571.00
PUBLIC BANK BHD MY\$0.50(ALIEN MARKET)	121,000	234,080.30	270,488.10
BERJAYA GROUP BHD MYR1	76,000	68,675.32	66,710.42
RASHID HUSSAIN BHD MYR1	34,000	94,370.65	108,777.70
RESORTS WORLD BHD MYR0.50	127,000	747,595.50	744,913.90
ROTHMANS PALL MALL MYR0.50	33,000	230,111.30	257,178.00
TECH RES INDS BHD MYR1	78,000	229,595.90	223,954.10
SELANGOR PROPS MYR1	37,000	40,502.05	41,583.26
SHELL REFINERY(M) MYR1	35,000	110,571.60	116,283.80
SIME DARBY BHD MYR0.50	243,000	556,467.50	677,768.70
BERJAYA LEISURE MYR1	29,000	35,304.10	24,027.89
KELANAMAS INDS MYR1	9,000	19,459.47	14,766.20
SUNGEI WAY HLDGS MYR1	10,000	42,302.62	40,812.14
TELEKOM MALAYSIA B MYR1	230,000	1,757,463.00	1,745,283.00
TAN CHONG MOTOR HD MYR0.50	71,000	80,440.95	80,959.80
TIME ENGINEERING MYR1	13,000	36,672.83	43,724.36
TENAGA NASIONAL MYR1	349,000	1,715,608.00	1,424,344.00
UMW HLDGS BERHAD MYR1	34,133	81,850.41	98,702.89
UNITED ENG (MALAY) MYR0.50	64,000	327,405.60	406,890.90
LEADER UNIV HLDGS MYR1	51,000	169,461.00	181,993.40
MALAYSIAN HELICOPT S/R FOR WARRANTS	40	0.00	0.00
NETHERLANDS			
ABN-AMRO HLDGS NV NLG5	41,444	\$ 1,415,427.00	\$ 1,598,421.00
AHREND GROEP CVA NLG10	4,000	503,026.00	527,571.80
AKZO NOBEL NLG20	9,354	1,068,400.00	1,117,292.00
AHOLD (KON) NV NLG1.25	14,000	358,267.70	501,128.70
ROTO SMEETS D BOER NLG10	22,000	522,371.70	529,248.60
ELSEVIER NV NLG0.10	75,000	668,759.00	885,198.30
GETRONICS NV NLG1	1,928	47,465.54	94,379.36
HEINEKEN NV NLG25 (STOCK DIV 31/08/95)	5,462	0.00	204,318.60
HEINEKEN NV NLG25	4,612	546,409.10	697,526.00
HOLLANDSCHE BETON NLG20	309	52,970.62	53,210.58
HOOGOEVENS & STAALF CVA(NON-EXCH)NLG20	3,794	138,930.00	150,732.30
IHC CALAND NV NLG2	2,200	45,021.03	62,431.47

Description	Shares		Book		Market
NETHERLANDS (Cont'd)					
INTL NED GROEP NV	42,800	\$	0.00	\$	59,072.56
KLM NLG20	10,100		277,021.10		327,655.60
INTL NED GROEP NV CVA NLG2.50	36,514		1,574,205.00		2,018,220.00
PAKHOED NV KON CVA NLG5	2,805		74,342.09		85,751.05
KNP BT (KON) NV NLG2.50	11,300		290,140.30		339,619.50
KONINK PTT NEDERLA NLG10	62,999		1,909,642.00		2,263,169.00
KNP BT (KON) NV	198		804.66		962.86
NEDLLPYD GRP NLG10	3,150		122,547.60		107,268.60
OCE V/D GRINTEN NV NLG4	1,200		49,562.88		67,642.70
PHILIPS ELECTRONIC NLG10	92,949		2,273,798.00		3,932,573.00
ROYAL DUTCH PETROL NLG5(BR)	70,336		7,500,075.00		8,582,761.00
SPHINX GUSTAVS CVA NLG2.50	18,000		526,311.80		643,147.40
STAD ROTTERDAM CVA NLG2.50	2,722		59,028.25		74,084.75
UNILEVER NV CVA NLG4	20,982		2,243,860.00		2,728,134.00
STORK NV NLG10	3,828		95,989.50		103,446.10
VER NED UITGEVERSB NLG5	9,050		1,029,264.00		1,082,731.00
WOLTERS KLUWER CVA NTFL1	7,779		458,778.30		685,836.40
NEW ZEALAND					
BRIERLEY INVMT LTD NZD0.50(NZ REG)	3,119,268	\$	2,091,052.00	\$	2,355,423.00
CARTER HOLT HARVEY NZD0.50	966,571		1,373,623.00		2,364,028.00
CERAMCO CORP LTD NZ\$0.50	4,000		12,241.90		6,816.13
FISHER & PAYKEL NZD0.50	9,811		25,284.18		28,847.21
FLETCHER CHALLENGE NZD0.40	1,365,600		3,147,437.00		3,832,751.00
FLETCHER CHALLENGE	141,550		29,576.76		186,343.40
LION NATHAN LTD NZD0.25	33,900		68,621.35		67,054.70
TELECOM CORP OF NZ NZD1	163,420		487,434.80		611,548.70
WILSON & HORTON NZD1	6,450		32,867.48		36,852.22
NORWAY					
AKER AS NWKR20'B'	100	\$	1,249.93	\$	1,257.10
AKER AS NWKR20 SER'A'	4,500		59,185.04		60,218.98
BERGESEN DY AS 'A'NWKR2.50	3,300		73,524.79		74,939.17
BERGESEN DY AS 'B'NON-V NWKR2.50	1,400		31,309.00		31,792.38
DYNO INDUSTRIER NWKR20	2,300		53,478.94		58,012.98
ELKEM AS NWKR20	4,000		50,822.85		55,798.86
HAFSLUND NYCOMED SER'A'NWKR5	7,839		135,559.20		184,372.30
HAFSLUND NYCOMED SER'B'NWKR5	1,238		20,626.66		28,615.57
KVAERNER AS NWKR12.50 SER'B'	300		14,020.63		13,138.69
KVAERNER AS NWKR12.50 SER'A'	3,500		167,506.60		158,961.90
LEIF HOEGH & CO NWKR2	2,200		30,926.60		29,797.24
NORSK HYDRO AS NWKR20	20,950		727,344.60		878,438.80
NORSKE SKOGSINDUST 'A'NWKR20	2,920		75,862.29		102,306.60
ORKLA A/S NWKR25 'A'	4,300		147,692.30		192,506.10
ORKLA A/S NWKR25 'B'	100		3,450.89		4,233.58
UNITOR A/S NWKR12.50	1,400		26,416.89		24,298.46
VARD AS NWKR2.30	3,284		14,566.55		6,019.33
PHILLIPINES					
FILINVEST LAND PHP1.00	8,750,000	\$	2,443,543.00	\$	2,535,239.00
PHILIPPINE LNG DIS PHP5	59,000		3,356,350.00		4,215,936.00
PHILIPPINE NATL BK PHP100	410,000		3,699,378.00		4,775,842.00
POLAND					
ELEKTRIM PLN1	100,000	\$	560,633.60	\$	352,413.50

LACERS

Description	Shares	Book	Market
PORTUGAL			
BCO ESPIR SANTO PTE1000(REGD)	48,100	\$ 821,908.00	\$ 802,706.70
BCO COM PORTUGUES PTE1000(REGD)	80,000	1,044,493.00	1,057,562.00
BPI BCO PORT INVES PTE1000(REGD)	26,600	446,435.40	464,069.70
BANIF-BCO INT FCHL PTE1000(REGD)	11,500	112,744.90	113,861.40
CORT AMORIM SGPS PTE1000	10,400	176,640.40	156,230.80
SEGUROS IMPERIO PTE1000(REGD)	18,200	124,818.50	128,499.80
MODELO CONTIN SGPS PTE1000	6,800	518,604.90	626,835.10
SOARES DA COSTA PTE1000	6,600	129,685.10	117,037.90
SOMAGUE-SGSP PTE1000(BR)	4,400	37,273.60	28,542.16
SOPORCEL PTE1000	23,400	738,057.60	605,571.90
SONAE INVESTIMENTOS PTES1000	29,200	698,259.40	698,048.50
SINGAPORE			
AMCOL HLDGS SGD0.25	45,000	\$ 95,613.62	\$ 130,089.40
CHUAN HUP HLDGS SGD1	12,000	13,325.11	9,788.91
CITY DEVELOPMENTS SGD0.50	151,000	848,336.90	923,828.30
CYCLE & CARRIAGE SGD1	45,000	365,409.40	402,504.50
DBS LAND SGD1	154,000	467,038.40	482,661.90
DEV BK SINGAPORE SGD1(ALIEN MKT)	297,750	2,789,089.00	3,387,639.00
FRASER & NEAVE SGD1	46,000	532,570.80	529,946.30
GP BATTERIES INTL SGD0.80	352,000	721,179.40	862,400.00
HAW PAR BROS INTL SGD1	16,300	33,561.19	34,057.96
HAI SUN HUP GROUP SGD0.20	17,000	19,531.75	10,218.25
HOTEL PROPERTIES SGD1	64,000	114,976.00	113,116.30
INCHCAPE BERHAD SGD0.50	28,000	98,233.77	91,363.15
JARDINE MATHESON US\$0.25(SING QUOTE)	189,800	1,066,584.00	1,395,030.00
JURONG SHIPYARD SGD0.50	17,000	157,005.50	121,645.80
KEPPEL CORP SGD1	97,000	795,231.20	791,270.10
LOW KENG HUAT(SIN) SGD0.50	9,000	6,415.84	4,604.65
LUM CHANG HLDGS SGD0.50	26,400	23,021.87	22,480.14
METRO HLDGS SGD1	8,000	24,163.28	33,774.60
NATSTEEL LTD SGD0.50	44,750	102,687.50	93,502.68
NEPTUNE ORIENT SG\$1	141,000	191,009.70	163,449.00
O/SEA CHINESE BK SGD1(ALIEN MKT)	120,000	1,239,485.00	1,330,948.00
O/SEAS UNION ENTPR SGD1	21,000	122,107.30	128,479.40
PRIMA SGD1	2,000	8,545.42	7,441.86
ROBINSON & CO SGD1	9,000	40,128.61	37,030.41
FIRST CAPITAL CORP SGD1	33,000	104,652.90	102,010.70
SHANGRI-LA HOTEL SGD1	27,000	101,758.90	108,193.20
SINGAPORE BUS SERV SGD1(ALIEN MKT)	380,300	1,394,716.00	2,653,256.00
PARKWAYS HLDGS SG\$0.50	663,000	690,053.70	1,603,535.00
SINGAPORE PRESS HD SG\$1(ALIEN MKT)	42,000	591,915.50	628,121.60
SINGAPORE AIRLINES SG\$1(ALIEN MKT)	485,000	3,207,105.00	4,476,923.00
STRAITS STEAMSHIP SGD0.50	108,000	337,007.50	374,039.40
STRAITS TRADING CO SGD1	55,000	132,963.40	137,746.00
UTD INDUSTRIAL CP SGD1	281,636	256,412.70	272,063.40
UTD O/S BANK SG\$1 (ALIEN MARKET)	125,255\$	1,062,219.00	1,183,088.00
UTD O/SEAS LAND SG\$1	36,000	49,764.38	71,355.99
HAI SUN HUP GROUP NEW SHS SG\$0.20	46,000	16,505.20	26,497.32
UTD INDUSTRIAL WTS 12/07/1999	2,045	4,475.34	746.30
SOUTH KOREA			
HANSOL PAPER CO	1	\$ 13.46	\$ 19.75
BYUCKSAN CORP KRW5000	35,000	757,885.00	655,456.60
KOREA LONG-TERM CR KRW5000	32,866	812,294.70	940,576.60

Description	Shares	Book	Market
SPAIN			
ACERINOX SA ESP1000(REGD)	1,534	\$ 116,003.20	\$ 188,377.10
EL AGUILA SA ESP500	1,700	18,716.85	12,705.43
ARGENTARIA CORP BC ESP500	18,150	749,688.40	670,751.10
AUTOPISTAS CESA ESP500	26,037	245,702.60	252,650.70
BCO SANTANDER SA ESP750(REGD)	64,146	2,490,270.00	2,529,500.00
BCO CENTRAL HISPAN SPPT500 (REGD)	23,430	554,673.10	496,308.10
BCO BILBAO VIZCAYA ESP600(REGD)	33,719	772,399.70	973,225.70
GAS NATURAL SDG SA ESP600	4,850	321,900.20	579,164.30
CORP FINANC ALBA ESP1000	2,850	106,875.80	147,101.30
CORP MAPFRE SA ESP500(REGD)	3,400	119,470.70	167,065.80
FOMENTO CONST Y CO ESP550	2,600	236,006.40	221,157.80
ERCROS SA ESP60	12,800	14,477.06	14,587.50
DRAGADOS Y CONSTR ESP500	8,138	106,267.50	118,282.90
EBRO AGRICOLAS ESP100	7,800	77,583.42	81,162.77
EMP NAC CELULOSA SPPT750	3,000	62,107.23	76,306.87
EMP NAC ELECTRICID ESP800	37,748	1,513,977.00	1,864,176.00
FAB AUTOM RENAULT ESP1000	3,100	129,674.40	92,930.87
IBERDROLA SA ESP500	132,900	851,149.10	1,000,948.00
METALURGICA DURO-F SPPT500	1,000	4,703.81	4,129.16
INM METROVACESA ESP500	2,282	84,555.95	67,843.75
PORTLAND VALDER ESP500	1,092	74,732.77	74,940.29
PROSEGUR CIA SEGUR ESP500(REGD)	1,150	26,311.04	27,873.90
REPSOL SA ESP500	43,700	1,236,463.00	1,374,986.00
SARRIO SA SPPT500	5,050	22,084.08	25,523.16
TABACALERA SA SER'A'ESP500(REGD)	4,900	146,008.10	183,309.90
TELEFONICA DE ESPA ESP500	136,870	1,558,730.00	1,763,293.00
UNION ELEC FENOSA ESP500	38,747	159,467.30	181,751.60
URALITA ESP500	7,400	66,272.03	89,222.89
INMOBILIARIA URBIS ESP500 SER 1,2,3	3,450	19,013.36	17,379.63
VALLEHERMOS SA ESP500	5,650	85,714.52	96,818.48
VISCOFAN ENVOLTURA SPPT100	3,600	57,660.26	53,216.62
ZARDOYA-OTIS ESP1000	992	85,433.49	102,157.40
ZARDOYA OTIS NEW ESP1000(B/R 26/7/95)	992	0.00	9,830.70
CORP MAPFRE NEW SHARES (NOV 94)	270	9,917.36	13,266.99
SWEDEN			
ASSA ABLOY SWKR1 SER'B'	2,200	\$ 8,305.80	\$ 11,480.99
AGA AB SER'A'SWKR5	12,500	117,208.30	146,774.10
AGA AB SER'B'SWKR5	10,500	97,358.62	124,011.20
AUTOLIV AB SWKR20	13,400	694,552.10	715,859.20
ATLAS COPCO AB SER'A'SWKR5	11,000	139,776.40	154,087.00
ATLAS COPCO AB SER'B'SWKR5	61,400	831,657.70	851,653.50
ASTRA AB SER'A'SWKR2.50	43,300	970,381.40	1,334,988.00
ASTRA AB SER'B'SWKR2.50	9,800	218,546.40	294,742.90
ASEA SER'A'SWKR50	5,800	456,121.30	499,423.20
ASEA SER'B'SWKR50	1,600	128,627.00	135,794.30
EUROC INDUSTRIAB 'A'FREE SWKR25	4,700	75,799.35	93,592.07
ELECTROLUX 'B'FREE SWKR25	6,300	332,233.10	286,379.40
ESSELTE AB SER'A'SWKR12.50	1,500	24,109.94	18,745.88
ESSELTE 'B' FREE SWKR12.5	1,200	19,051.64	14,914.30
ERICSSON(LM) TEL SEK2.5 SER'B'	74,800	907,654.90	1,489,508.00
FRIGOSCANDIA AB SWKR5 SER'A'	700	3,272.46	2,883.98
FRIGOSCANDIA AB SWKR5 SER'B'	600	2,508.85	2,513.18
HENNES & MAURITZ SER'B'SWKR5	2,700	133,405.90	157,959.80
INCENTIVE AB SWKR10 SER'B'FREE	25,000	923,913.20	1,005,960.00
SKF SER'B'SWKR12.50	6,100	118,214.70	123,146.00

LACERS

Description	Shares	Book	Market
SWEDEN (Cont'd)			
SKF AB SER'A'SWKR12.50	4,800	\$ 90,978.80	\$ 96,242.58
SECURITAS AB SWKR5'B'	31,600	621,699.20	1,093,606.00
STORA KOPPARBERGS SEK5 SER'B'	5,000	56,399.08	67,636.23
STORA KOPPARBERGS SEK5 SER'A'	20,500	236,918.40	274,493.20
SKANDIA GROUP FORS SWKR5 FREE	9,600	167,054.60	185,893.20
SKAND ENSKILDA BKN SER'A'SWKR10	45,500	298,337.20	236,198.10
SKANSKA AB 'B' FREE SWKR10	8,300	198,829.80	191,496.40
SVENSKA HANDELSBKN SWKR10 SER'B'	1,600	23,733.75	22,522.52
SVENSKA CELLULOSA SER'B'SWKR10	16,700	278,539.20	309,616.00
SVENSKA HANDELSBKN SER'A'SWKR10	13,600	203,874.90	202,647.80
TRELLEBORG AB 'B' SWKR25 FREE	7,700	106,320.70	89,884.09
VOLVO(AB) SWKR5 SER'A'	12,300	228,173.50	233,952.70
VOLVO(AB) SWKR5 SER'B'	26,000	483,240.90	494,534.20
SWITZERLAND			
ADIA SA SZF10(BR)	575	\$ 104,147.80	\$ 119,282.20
ALUSUISSE-LONZA HD SZF125(BR)	210	107,282.90	132,150.00
BBC BROWN BOVERI SZF100(BR)	835	753,057.40	863,918.10
BBC BROWN BOVERI SZF20(REGD)	410	72,404.70	82,206.41
BOBST AG SZF100(BR)	420	522,555.70	637,965.50
CIBA-GEIGY AG SZF20(BR)	415	269,945.50	303,658.50
CIBA-GEIGY AG SZF20(REGD)	2,675	1,666,327.00	1,959,639.00
CS HOLDING CHF20(REGD)	16,740	1,431,934.00	1,532,914.00
DANZAS HOLDING AG PTG CERTS SZF20	190	41,849.46	32,488.50
DANZAS HOLDING AG SZF100(REGD)	900	1,022,327.00	773,370.40
FISCHER(GEORG)AG SZF500(BR)	60	68,604.56	80,722.16
FORBO HLDG CHF50(REGD)	90	42,806.87	43,902.44
GRANDS MGS JELMOLI SZF50(BR)	40	23,489.39	21,873.10
GRANDS MGS JELMOLI	25	0.00	19.53
HHHH	2,000	670,089.60	673,552.60
HOLDERBK FN GLARUS	2,475	0.00	3,329.79
HOLDERBK FN GLARIS SZF50(BR)	635	443,211.00	520,853.20
INTERDISCOUNT HLDG SZF400(BR)	10	14,848.31	10,415.76
INTERSHOP HLDG AG SZF200(BR)	1,640	672,356.00	828,469.80
INTERDISCOUNT HLDG	100	0.00	34.72
MERKUR HLDG AG SZF25(REGD)	375	98,896.81	105,134.10
NESTLE SA SZF10(REGD)	4,060	3,576,930.00	4,225,276.00
PUBLICITAS HLDGS SZF100(REGD)	610	485,350.10	661,834.90
KUONI REISEN HLDG CHF50(REGD SER.B)	20	32,001.42	32,115.27
ROCHE HOLDING AG SZF100 (BR)	165	1,530,193.00	1,833,174.00
ROCHE HLDG AG	725	3,466,060.00	4,669,300.00
SANDOZ AG SF20(REGD)	6,275	3,392,672.00	4,324,581.00
SMH AG NEUENBURG SZF10(REGD)	1,665	212,385.10	224,004.00
SMH AG NEUENBURG SZF50(BR)	380	224,985.40	244,076.00
SCHINDLER-HLDG AG PTG CERTS SZF100	115	146,507.70	111,296.80
ALUSUISSE-LONZA HD SZF125(REGD)	455	228,063.60	285,140.20
SCHW BANKVEREIN SZF100(BR)	2,731	812,810.20	967,145.20
SCHW BANKGESELLSCH SZF100(BR)	2,647	2,242,425.00	2,740,970.00
SCHW BANKGESELLSCH SZF20(REGD)	460	102,178.60	101,414.80
SCHW BANKVEREIN SZF50(REGD)	2,573	391,458.30	455,595.90
SCHW RUCKVERSICHER SZF20(BR)	90	39,831.10	69,290.86
SCHW RUCKVERSICHER	125	0.00	1,817.33
SIKA FINANZ AG SZF60(BR)	2,680	884,072.30	849,058.20
SANDOZ AG SF20(BR)	160	82,241.09	112,212.50
SCHW BANKVEREIN WTS 30/6/98 BR STK 500	6	101.50	96.35
SCHW BANKVEREIN WTS 30/6/98(PUR REGD)	8	65.98	65.97

Description	Shares		Book	Market
SWITZERLAND (Cont'd)				
SGS HOLDING SZF100(BR)	185	\$	280,535.70	\$ 321,152.70
SCHW RUCKVERSICHER SZF20 (REGD)	1,340		683,010.90	1,031,664.00
SULZER AG SZF100(REGD)	265		180,032.80	179,411.50
SULZER AG PTG SZF100	85		58,398.73	54,964.85
SWISSAIR SZF350(REGD)	225		130,312.60	155,650.60
WINTERTHUR SZF20(REGD)	2,675		1,120,908.00	1,606,718.00
ZURICH VERSICHERUN SZF50(REGD)	600		610,273.30	753,580.40
ZURICH VERSICHERUN SZF50(BR)	327		303,798.60	410,701.30
THAILAND				
ADVANCED INFO SERV THBH10(LOCAL)	15,900	\$	239,970.10	\$ 235,746.40
BANGCHAK PETROLEUM THB10	35,500		71,755.88	70,827.43
THAILAND (Cont'd)				
BANGKOK METRO BANK THB10(ALIEN MKT)	48,400	\$	61,135.29	\$ 62,742.56
BANGKOK BANK THB10(ALIEN MKT)	434,700		3,062,779.00	4,789,889.00
CP FEEDMILL CO THB10(ALIEN MKT)	100,000		461,403.90	607,656.50
CMIC FINANCE & SEC THB10	12,900		49,804.94	49,645.53
DHANA SIAM FIN&SEC THB10(ALIEN MKT)	17,200		105,296.90	101,729.80
ONE HOLDING CO LTD THB10	10,900		35,105.09	34,000.41
GEN FIN & SECS CO THBH10(LOCAL)	9,200		44,416.33	44,723.52
IND FIN THAILAND THB10(ALIEN MKT)	2,000,000		4,372,141.00	5,266,356.00
ITALIAN-THAI DEVMT THB10	17,000		187,966.60	183,188.20
JASMINE INTL THB10	22,700		159,499.40	153,571.00
KRUNG THAI BNK LTD THBH10(LOCAL)	91,300		369,364.80	369,860.20
M D X PUBLIC CO THB10(ALIEN MKT)	221,900		559,478.80	507,893.50
NATL FIN & SECS THBH10(LOCAL)	21,500		106,359.50	106,258.90
NATL PETROCHEMICAL THB10	21,100		55,193.42	54,705.29
PTT EXPLORTN & PRD THBH10(LOCAL)	21,100		228,761.30	227,368.90
PHATRA THANAKIT CO THB10(ALIEN MKT)	18,500		156,708.40	154,385.30
SAHAVIRIYA STEEL THB10	34,600		88,532.92	84,800.49
SHINAWATRA SATELIT THB10	23,800		55,772.99	54,956.45
SHINAWATRA C&COMMS	9,400		245,532.10	233,048.40
SIAM CITY BANK THB5(ALIEN MKT)	81,600		116,441.40	112,392.10
TELECOM ASIA THB10	151,000		571,829.40	559,712.40
THAI MILITARY BANK THB10(ALIEN MKT)	29,000		119,637.40	117,480.30
THAI FARMERS BANK THB10(ALIEN MKT)	617,140		3,329,521.00	5,900,143.00
UTD COMMNS INDUST PUBLIC CO LTD THB10	15,900		238,863.70	231,881.70
UNITED KINGDOM				
ABBEY NATIONAL ORD 10P	252,974	\$	1,583,852.00	\$ 1,883,481.00
ALLIED COLLOIDS ORD 10P	390,000		689,339.60	772,455.40
AMEC ORD 50P	13,900		22,861.93	13,710.27
AMSTRAD ORD 25P	7,860		18,319.17	31,010.85
ANGLIAN WATER ORD £1	18,200		130,774.70	145,060.30
ARGOS ORD 10P	22,500		122,733.20	154,634.30
ARGYLL GROUP ORD 25P	114,355		510,054.80	610,361.50
ASSOC BRIT PORTS ORD 25P	200,000		731,644.20	894,078.70
BAA ORD £1	114,000		623,083.40	892,296.90
BBA GROUP ORD 25P	20,500		64,694.00	78,271.66
BTR ORD 25P	596,131		3,337,951.00	3,030,065.00
BAT INDUSTRIES ORD 25P	292,000		2,034,122.00	2,234,433.00
BPB INDUSTRIES ORD 50P	69,700		341,717.10	344,297.50
BTR WTS TO SUB FOR ORD(1998)	1,118		0.00	475.78
BARCLAYS ORD £1	151,577		1,112,092.00	1,628,914.00
BARRATT DEVEL ORD 10P	12,400		39,285.86	36,001.78
BASS ORD 25P	86,960		732,842.60	832,136.60

LACERS

Description	Shares	Book	Market
UNITED KINGDOM (Cont'd)			
BICC ORD 50P	43,133	\$ 238,046.30	\$ 203,800.70
BLICK ORD 5P	110,000	832,175.50	848,738.40
BLUE CIRCLE IND ORD 50P	81,200	381,130.40	362,350.10
BOC GROUP ORD 25P	47,700	526,584.90	609,359.20
BOOTS CO ORD 25P	102,060	798,930.30	826,442.80
REXAM ORD 50P	48,200	329,414.80	369,984.70
BOWTHORPE ORD 10P	12,800	69,249.32	75,548.06
BRIT AERO PLC/CAP	465	4,107.97	5,270.81
BRITISH AEROSPACE ORD 10P	53,630	341,618.20	480,347.60
BRITISH AIRWAYS ORD 25P	94,600	584,412.90	620,051.60
BET ORD 25P	50,800	101,217.10	99,405.01
BRITISH GAS ORD 25P	439,700	1,929,855.00	2,025,091.00
BRITISH LAND CO ORD 25P	16,500	97,848.36	104,867.30
BRIT PETROLEUM CO ORD 25P	532,500	3,205,844.00	3,816,400.00
BRITISH TELECOM ORD 25P	595,450	3,491,028.00	3,713,392.00
BRITISH STEEL ORD 50P	188,700	317,004.40	515,594.30
BURMAH CASTROL ORD £1	21,000	278,121.90	304,185.60
CADBURY SCHWEPPE ORD 25P	96,173	664,497.00	702,271.90
CABLE & WIRELESS ORD 25P	213,116	1,317,367.00	1,457,887.00
CALOR GROUP ORD 50P	11,600	54,297.43	47,058.45
CAMAS ORD 5P	20,700	9,949.45	23,216.62
CARCLO ENGR GROUP ORD 5P	200,000	808,982.20	943,396.20
CHUBB SECURITY ORD 5P	19,200	109,381.60	95,911.42
COMMERCIAL UNION ORD 25P	55,753	478,538.70	518,876.00
COSTAIN GROUP ORD 10P	3,560	15,852.44	5,946.74
COURTAULDS ORD 25P	40,300	314,731.10	287,545.70
COURTAULDS TEXTILE ORD 25P	6,300	50,727.07	46,755.39
DFS FURNITURE CO ORD 5P	200,000	887,877.30	960,896.00
DAWSON INT'L ORD 25P	11,100	23,556.96	20,307.68
DE LA RUE CO ORD 25P	23,000	323,546.50	342,486.20
DELTA ORD 25P	7,700	63,276.00	59,350.44
DEVRO INTL ORD 10P	300,000	963,320.30	1,066,690.00
EAST MIDLANDS ELEC ORD 56 9/11P	13,904	135,368.80	141,897.90
EASTERN GROUP ORD 50P	42,100	376,770.60	435,011.50
ELECTROCOMPONENTS ORD 10P	144,400	1,119,200.00	1,378,345.00
ENGLISH CHINA CLAY ORD 25P	16,896	108,279.60	104,158.60
EUROTHERM ORD 10P	110,000	628,536.40	752,489.70
FKI PLC ORD 10P	23,100	64,104.99	58,431.70
CARLTON COMUNCTNS ORD 5P	12,300	167,340.20	186,384.40
COBHAM ORD 25P	5,200	23,056.71	31,477.30
FKI NEW ORD 10P(NIL PD-5/7/95)	5,775	0.00	2,664.34
FIRSTBUS ORD 5P	309,253	658,295.00	708,460.90
GEN ELECTRIC CO ORD 5P	287,900	1,350,997.00	1,406,111.00
GEN ACCIDENT ORD 25P	49,400	447,845.30	452,677.50
ASSOCD BRIT FOODS ORD 5P	45,100	379,571.90	476,413.50
GLAXO WELLCOME ORD 25P	400,802	3,998,844.00	4,919,322.00
GRANADA GROUP ORD 25P	94,000	448,106.60	909,224.00
GRAND METROPOLITAN ORD 25P	203,496	1,329,968.00	1,248,015.00
GREAT PORTLAND EST ORD 50P	15,900	49,471.08	42,875.21
GREAT UNIV STORES ORD 25P	99,400	896,093.60	929,038.50
GUARDIAN ROYAL EXC ORD 5P	104,100	298,540.10	341,987.50
GKN ORD £1	37,944	342,921.30	386,937.30
GUINNESS ORD 25P	300,000	2,240,536.00	2,257,469.00
HSBC HLDGS ORD 75P(UK REG)	19,610	201,181.50	253,166.10
HALMA ORD 10P	250,000	641,778.00	767,603.20
HAMMERSON PLC ORD 25P	14,178	79,116.74	78,155.16

Description	Shares	Book	Market
UNITED KINGDOM (Cont'd)			
HANSON ORD 25P	766,479	\$ 2,817,115.00	\$ 2,682,640.00
HARRISON&CROSFIELD ORD 25P	80,100	226,076.80	180,313.60
NEXT ORD 10P	25,500	94,515.74	138,538.50
HEPWORTH ORD 25P	15,500	84,154.73	69,414.39
HIGHLAND DISTLRIES ORD 20P	170,000	890,668.70	937,112.20
IMI ORD 25P	17,540	88,249.41	83,572.97
IMPERIAL CHEM INDS ORD £1	70,100	853,512.20	859,270.90
JOHNSON, MATTHEY ORD £1	10,300	90,935.46	94,056.44
KALON GROUP ORD 15P	475,000	912,441.30	1,050,383.00
KLEINWORT BENSON ORD 25P	9,125	64,305.79	103,287.40
LADBROKE GROUP ORD 10P	124,191	366,655.30	333,899.90
LAIRD GROUP ORD 25P	15,920	86,861.04	89,150.78
LAING(JOHN) ORD 25P	6,387	30,193.46	20,982.46
LAND SECURITIES ORD £1	54,600	494,217.50	528,123.70
LEGAL & GENERAL ORD 25P	30,628	215,452.50	258,977.10
LEX SERVICE ORD 25P	6,500	46,359.76	35,675.65
LLOYDS BANK £1	122,200	1,039,717.00	1,212,124.00
LONDON ELECTRICITY ORD 50P	15,600	144,899.00	159,330.60
LASMO ORD 25P	91,106	235,467.90	248,571.10
LONRHO ORD 25P	91,900	203,222.60	216,379.80
LUCAS INDUSTRIES ORD 25P	47,200	134,608.50	141,544.40
MEPC ORD 25P	49,400	315,835.50	300,606.10
MANWEB ORD 50P	8,000	82,523.27	83,935.22
MARKS & SPENCER ORD 25P	373,345	2,218,479.00	2,402,527.00
MARLEY ORD 25P	22,866	53,447.77	42,015.70
WARBURG(S.G.)GROUP ORD 25P	23,300	268,197.20	270,038.00
CARADON ORD 25P	171,900	813,203.50	645,397.60
METALRAX GROUP ORD 5P	540,000	804,814.30	957,873.30
MEYER INT'L ORD 25P	6,500	43,437.54	32,211.49
MIDLAND IND.NEWS ORD 5P	470,000	858,747.40	859,874.60
NAT WEST ORD £1	97,000	739,896.70	841,794.20
NATIONAL POWER ORD 50P	194,000	1,230,017.00	1,374,956.00
NORTH WEST WATER ORD £1	42,400	331,665.40	374,367.60
NORTHERN ELECTRIC ORD 50P	8,500	82,717.74	107,301.40
OCEAN GROUP ORD 25P	10,600	42,661.73	52,445.19
OXFORD INSTRUMENTS ORD 5P	3,300	14,006.84	20,658.47
PEARSON ORD 25P	33,600	326,086.40	318,050.20
P & O DFD £1	70,396	714,853.70	647,874.40
LIFE SCIENCES INTL ORD 10P	500,000	1,123,965.00	970,441.30
PILKINGTON ORD 50P	87,535	250,952.10	243,005.80
PROVIDENT FINL ORD 10P	6,900	47,427.36	69,046.10
PRUDENTIAL CORP 5P	340,792	1,635,751.00	1,816,242.00
RTZ CORP ORD 10P(REGD)	109,000	1,391,668.00	1,421,068.00
VODAFONE GROUP ORD 5P	447,300	1,125,754.00	1,661,595.00
RACAL ELECTRONICS ORD 25P	14,500	49,658.38	59,169.08
RANK ORGANISATION ORD 10P	67,850	371,888.30	428,528.60
RMC GROUP ORD 25P	22,300	279,721.10	374,634.90
RECKITT & COLMAN ORD 10P	66,000	627,309.00	695,615.50
REDLAND ORD 25P	55,800	392,085.00	365,294.80
REED INT'L ORD 25P	63,820	805,635.40	896,513.70
REUTERS HOLDINGS ORD 2.5P	251,700	1,494,386.00	2,096,232.00
ROLLS-ROYCE ORD 20P	100,622	272,647.40	279,336.60
ROYAL BK SCOTLAND ORD 25P	82,100	529,162.40	558,365.70
ROYAL INSURANCE ORD 25P	65,700	271,483.10	322,970.80
RUGBY GROUP ORD 25P	31,800	69,769.31	53,625.63
SEEBOARD ORD 50P	15,300	78,444.97	94,684.85

LACERS

Description	Shares	Book	Market
UNITED KINGDOM (Cont'd)			
ST.JAMES PLACE CAP ORD 15P	19,000	\$ 42,338.86	\$ 32,947.28
SAINSBURY J ORD 25P	290,307	1,887,553.00	2,039,049.00
SCHRODERS ORD £1	12,000	156,292.30	218,110.70
SCOT & NEWCASTLE ORD 20P	32,400	257,123.10	285,042.50
SCOT TELEVISION ORD 10P	165,000	1,169,556.00	1,122,172.00
SEARS ORD 25P	149,800	268,534.40	237,123.40
SCOT POWER ORD 50P	77,900	405,554.80	400,914.00
SEDGWICK GROUP ORD 10P	61,000	166,898.90	133,435.70
SHELL TRNSPT&TRDG ORD 25P(REGD)	136,000	1,439,675.00	1,624,869.00
SIEBE ORD 25P	73,000	641,224.60	727,003.70
SLOUGH ESTATES ORD 25P	38,778	141,977.00	136,646.50
SMITHS INDUSTRIES ORD 25P	18,200	135,134.40	150,127.30
SMITHKLINE BEECHAM 'A' ORD 12.5P	125,700	826,917.00	1,137,855.00
SMITHKLINE BCH/BEC	121,400	727,841.00	1,077,686.00
SOUTHERN WATER ORD £1	11,600	90,357.48	111,187.10
SOUTHERN ELECTRIC ORD 50P	31,900	277,529.70	325,556.80
TI GROUP ORD 25P	44,897	241,458.80	277,490.30
TARMAC ORD 50P	98,200	197,920.40	175,753.30
TATE & LYLE ORD 25P	22,600	146,306.20	152,804.70
TAYLOR WOODROW ORD 25P	44,200	80,527.56	80,864.81
TESCO ORD 5P	178,590	635,592.70	823,938.10
THAMES WATER ORD £1	49,700	374,784.90	375,964.10
THORN EMI ORD 25P	44,400	746,813.50	921,792.00
THORNTONS ORD 10P	200,000	561,883.40	497,947.80
TRAFALGAR HOUSE ORD 20P	95,900	128,977.00	68,654.74
TRANSPORT DEV GP ORD 25P	10,500	38,757.57	38,837.54
FORTE ORD 25P	92,700	337,264.20	335,506.20
T & N ORD £1	27,300	94,188.69	73,181.62
UNIGATE ORD 25P	16,100	95,884.49	103,861.90
UNILEVER ORD 5P	73,200	1,213,243.00	1,481,864.00
UNITED BISCUITS ORD 25P	31,850	165,517.00	162,396.60
COATS VIYELLA ORD 20P	82,600	281,697.30	244,417.60
VICKERS ORD 50P	17,100	49,746.22	56,176.62
WEIR GROUP ORD 12.5P	210,000	838,866.80	846,908.90
WELSH WATER ORD £1	10,000	91,663.86	105,714.50
ARJO WIGGINS APPLE ORD 25P	95,127	356,119.70	388,934.40
WILLIAMS HLDGS ORD 25P	33,657	186,468.90	168,932.90
WILLIS CORROON GRP ORD 12 1/2P	21,800	65,633.19	52,022.02
WILSON(CONNOLLY) ORD 25P	13,100	40,361.76	30,844.12
WIMPEY(GEORGE) ORD 25P	18,700	50,441.95	33,914.54
WOLSELEY ORD 25P	33,100	206,803.70	182,461.30
KINGFISHER ORD 25P	37,494	321,438.90	253,208.90
YORKSHIRE ELEC GRP ORD 56 9/11P	66,920	837,193.60	738,315.30
ZENECA GROUP ORD 25P	89,500	1,092,012.00	1,511,411.00
RANK ORGANISATION	623	4,288.11	8,099.00
UNITED STATES			
US INDUSTRIES INC COM USD0.01	4,414	\$ 63,556.79	\$ 60,140.76

Description	Rate	Maturity	Book	Market
CANADA				
CANADA (GOVT OF)	9.000	12/1/04	\$ 6,114,425.00	\$ 6,074,104
DENMARK				
DENMARK (KINGDOM)	7.000	12/15/04	\$ 5,161,689.00	\$ 5,341,826.00
DENMARK (KINGDOM)	9.000	11/15/00	\$ 9,953,579.00	\$ 10,760,378.00
FRANCE				
FRANCE(GOVT OF)	8.500	4/25/03	\$ 2,068,037.00	\$ 2,336,452.00
FRANCE(GOVT OF)	5.750	11/12/98	4,528,741.00	5,078,958.00
SANOFI 4% CNV BDS 1/1/2000 FRF310	4.000	1/1/00	45,410.97	46,663.72
GERMANY				
GERMANY(FED REP)	6.750	9/15/99	\$ 7,638,108.00	\$ 7,691,236.00
GERMANY(FED REP)	8.250	9/20/01	\$ 13,965,748.00	\$ 15,300,556.00
GERMANY(FED REP)	7.250	1/20/00	1,876,079.00	2,177,148.00
GERMANY(FED)UNITY	8.750	7/20/00	7,690,925.00	8,892,999.00
GERMANY(FED REP)	8.880	12/20/00	8,542,614.00	9,571,563.00
GERMANY(FED REP)UN	8.000	1/21/02	9,297,623.00	10,736,941.00
INDONESIA				
INTI INDORAYON UTA	5.500	10/1/02	\$ 343,000.00	\$ 415,625.00
PABRIK KERTAS TJIW	0.000	3/26/97	350,000.00	395,500.00
JAPAN				
JAPAN DEVEL BANK	5.000	10/1/99	\$ 761,965.30	\$ 795,936.40
JAPAN 6.4% BDS 20/3/00 Y(129)	6.400	3/20/00	8,723,580.00	9,005,230.00
JAPAN 4.2% BDS 20/9/04 Y(172)JULY	4.200	9/20/04	5,375,153.00	5,716,372.00
JAPAN 5.5% BDS 20/9/02 Y(149)	5.500	2/20/02	4,893,005.00	5,152,980.00
NEW ZEALAND				
BRIERLEY INVM T LTD	9.000	6/30/98	\$ 231,575.90	\$ 359,747.20
NEW ZEALAND 8% LN 15/4/04 NZD100	8.000	4/15/04	3,351,457.00	3,290,347.00
NEW ZEALAND 6 1/2% BDS 15/2/00 NZD100	6.500	2/15/00	3,276,201.00	3,236,981.00
SPAIN				
SPAIN(GOVT OF)	12.250	3/25/00	\$ 10,172,908.00	\$ 10,087,373.00
SWITZERLAND				
WINTERTHUR FINANCE			\$ 0.00	\$ 19,039.15
UNITED KINGDOM				
TREASURY 9 3/4% STK 2002	9.750	8/27/02	\$ 6,893,089.00	\$ 6,973,092.00
CONVERSION 9 1/2% STK 2005	9.500	4/18/05	6,227,705.00	6,090,528.00
UNITED STATES				
USA TREASURY NTS	7.250	5/15/04	\$ 9,637,500.00	\$ 10,676,600.00
USA TREASURY NTS	5.130	12/31/98	6,256,250.00	6,330,415.00
USA TREASURY NTS	7.130	9/30/99	9,918,750.00	10,412,500.00
USA TREASURY NTS 6.5% 15/8/97 US\$(VAR)	6.500	8/15/97	11,854,688.00	12,150,000.00
USA TREASURY NTS	7.500	11/15/01	6,108,750.00	6,442,500.00
USA TREASURY NTS	7.750	2/15/01	7,814,297.00	8,324,393.00
USA TREASURY NTS 9% 15/05/1998	9.000	5/15/98	7,081,425.00	7,238,077.00
USA TREASURY BDS	6.250	8/15/23	1,608,438.00	1,889,060.00
CHEVY CHASE MSTR C	6.320	2/17/03	4,993,750.00	5,001,550.00

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Description	Rate	Maturity	Book	Market
<u>SHORT TERM INVESTMENTS</u>				
AUSTRALIA				
CALL DEP AUSTRALIAN DOLLAR			\$ 153,111.10	\$ 153,111.10
AUSTRIA				
CALL DEP AUSTRIAN SHILLING			\$ 18,389.72	\$ 18,389.72
BELGIUM				
CALL DEP BELGIAN FRANC FINANCIAL			\$ 200,509.50	\$ 200,509.50
DENMARK				
CALL DEP DANISH KRONE			\$ 39,992.59	\$ 39,992.59
FINLAND				
CALL DEP FINNISH MARKKA			\$ 55,873.76	\$ 55,873.76
FRANCE				
CALL DEP FRENCH FRANCS			\$ 52,191.85	\$ 52,191.85
GERMANY				
CALL DEP GERMAN DEUTSCHEMARK			\$ 807,022.60	\$ 807,022.60
HONG KONG				
CALL DEP HONG KONG DOLLAR			\$ 224,620.40	\$ 224,620.40
IRELAND				
CALL DEP IRISH PUNT			\$ 27,829.16	\$ 27,829.16
ITALY				
CALL DEP ITALIAN LIRE			\$ 115,638.40	\$ 115,638.40
JAPAN				
CALL DEP JAPANESE YEN			\$ 239,458.20	\$ 239,458.20
MALAYSIA				
CALL DEP MALAYSIAN RINGGIT			\$ 29,122.23	\$ 29,122.23
NETHERLANDS				
CALL DEP DUTCH FLORIN			\$ 826,830.10	\$ 826,830.10
NEW ZEALAND				
CALL DEP NEW ZEALAND DOLLAR			\$ 28,066.42	\$ 28,066.42
NORWAY				
CALL DEP NORWEGIAN KRONE			\$ 25,141.93	\$ 25,141.93
SINGAPORE				
CALL DEP SINGAPORE DOLLAR			\$ 66,547.41	\$ 66,547.41
SPAIN				
CALL DEP SPANISH PESETA			\$ 91,031.46	\$ 91,031.46
SWEDEN				
CALL DEP SWEDISH KRONE			\$ 163,837.60	\$ 163,837.60

Description	Rate	Maturity	Book	Market
SWITZERLAND				
CALL DEP SWISS FRANC			\$ 716,951.70	\$ 716,951.70
UNITED KINGDOM				
CALL DEP BRITISH POUND			\$ 447,039.40	\$ 447,039.40
UNITED STATES				
FIRST USA C.C.M.T.	6.360		\$ 5,003,906.00	\$ 5,003,100.00
<u>BONDS</u>				
CANADA				
CANADA(GOVT OF)	9.000	12/1/04	\$ 6,114,425.00	\$ 6,074,104.00
DENMARK				
DENMARK(KINGDOM)	7.000	12/15/04	\$ 5,161,689.00	\$ 5,341,826.00
DENMARK(KINGDOM)	9.000	11/15/00	9,953,579.00	10,760,378.00
<u>FUTURES</u>				
AUSTRALIA				
AUS ALL ORD FUTURE SEP 95		9/30/95	\$ 0.00	\$ 2,345,223.00
FRANCE				
CAC 40 INDEX SEPT 1995 FUTURE (MAT)		9/30/95	\$ 0.00	\$ 3,485,817.00
GERMANY				
DAX INDEX (DTB) SEP 95		FUTURE	\$ 20.00	\$ 0.00
JAPAN				
NIKKEI 300 INDEX SEPT 1995		9/30/95	\$ 0.00	\$ 35,322,968.00
UNITED KINGDOM				
FT-SE 100 INDEX SEPT 1995 FUTURE (LIF)		9/15/95	\$ 0.00	\$ 18,365,125.00
<u>FUTURES LIABILITIES</u>				
AUSTRALIA				
AUS ALL ORD FUTURE SEP 95		9/30/95	\$ 0.00	(\$ 2,345,223.00)
FRANCE				
CAC 40 INDEX SEPT 1995 FUTURE (MAT)		9/30/95	\$ 0.00	(\$ 3,485,817.00)
GERMANY				
DAX INDEX SEP 95		9/15/95	\$ 0.00	(\$ 3,043,133.00)
JAPAN				
NIKKEI 300 INDEX SEPT 1995		9/30/95	\$ 0.00	(\$ 35,322,968.20)
UNITED KINGDOM				
FT-SE 100 INDEX SEPT 1995 FUTURE (LIF)		9/15/95	\$ 0.00	(\$ 18,365,124.57)
<u>MISCELLANEOUS</u>				
AUSTRALIA				
FUT MARGN AUSTRALIAN DOLLAR			\$ 73,720.18	\$ 73,720.18

LACERS

Description	Rate	Maturity	Book	Market
FRANCE				
FUT MARGN FRENCH FRANCS			\$ 278,494.10	\$ 278,494.10
JAPAN				
FUT MARGN JAPANESE YEN			\$ 11,988,451.00	\$ 11,988,451.00
UNITED KINGDOM				
FUT MARGN BRITISH POUND			\$ 552,833.40	\$ 552,833.40
<u>CASH</u>				
ARGENTINA				
CASH ARGENTINE AUSTRAL			(\$ 100,180.00)	(\$ 100,180.00)
AUSTRALIA				
CASH AUSTRALIAN DOLLAR			\$ 4,031.28	\$ 4,031.28
VAR MARGIN		AUSTRALIAN DOLLAR	(\$ 410,357.00)	(\$ 290,881.00)
AUSTRIA				
CASH AUSTRIAN SHILLING			\$ 1,983.38	\$ 1,983.38
BELGIUM				
CASH BELGIAN FRANC FINANCIAL			\$ 6,729.83	\$ 6,729.83
BRAZIL				
CASH			\$ 104,038.90	\$ 104,038.90
CANADA				
CASH CANADIAN DOLLAR			(\$ 0.01)	(\$ 0.01)
DENMARK				
CASH DANISH KRONE			\$ 29.45	\$ 29.45
FINLAND				
CASH FINNISH MARKKA			\$ 281,008.40	\$ 281,008.40
FRANCE				
CASH FRENCH FRANCS			(\$ 551,589.00)	(\$ 551,589.00)
VAR MARGIN		FRENCH FRANCS	16,742,099.00	3,453,760.00
GERMANY				
CASH GERMAN DEUTSCHEMARK			\$ 480,786.60	\$ 480,786.60
VAR MARGIN		GERMAN DEUTSCHEMARK	(188,644.00)	(136,294.00)
HONG KONG				
CASH HONG KONG DOLLAR			\$ 17,481.88	\$ 17,481.88
INDONESIA				
CASH INDONESIAN RUPIAH			\$ 28,339.62	\$ 28,339.62
IRELAND				
CASH IRISH PUNT			(\$ 126.52)	(\$ 126.52)
ITALY				
CASH ITALIAN LIRE			\$ 70,363.81	\$ 70,363.81
JAPAN				
CASH JAPANESE YEN			\$ 875,957.60	\$ 875,957.60
VAR MARGIN		JAPANESE YEN	(\$ 8,036,293.00)	(\$ 8,036,293.00)

Description	Rate	Maturity	Book	Market
MALAYSIA				
CASH MALAYSIAN RINGGIT			\$ 31,925.05	\$ 31,925.05
NETHERLANDS				
CASH DUTCH FLORIN			\$ 2,783.38	\$ 2,783.38
NEW ZEALAND				
CASH NEW ZEALAND DOLLAR			\$ 12,769.28	\$ 12,769.28
NORWAY				
CASH NORWEGIAN KRONE			\$ 18.17	\$ 18.17
SINGAPORE				
CASH SINGAPORE DOLLAR			\$ 1,802.99	\$ 1,802.99
SPAIN				
CASH SPANISH PESETA			(\$ 59.86)	(\$ 59.86)
SWEDEN				
CASH SWEDISH KRONE			\$ 104.82	\$ 104.82
SWITZERLAND				
CASH SWISS FRANC			\$ 2,108.35	\$ 2,108.35
THAILAND				
CASH THAILAND BAHT			\$ 855,837.70	\$ 855,837.70
UNITED KINGDOM				
CASH BRITISH POUND			\$ 4,048.10	\$ 4,048.10
VAR MARGIN BRITISH POUND			1,556,653.00	1,556,653.00
UNITED STATES				
VAR MARGIN UNITED STATES DOLLAR			\$ 4,299,604.00	\$ 4,299,604.00
CASH UNITED STATES DOLLAR			(11,837.60)	(11,837.60)

FORWARD CURRENCY PURCHASES

AUSTRALIA				
PND CUR PR AUSTRALIAN DOLLAR			\$ 2,415,279.00	\$ 2,370,347.00
BELGIUM				
PND CUR PR BELGIAN FRANC FINANCIAL			\$ 2,200,000.00	\$ 2,227,036.00
FRANCE				
PND CUR PR FRENCH FRANCS			\$ 8,031,106.00	\$ 8,374,379.00
GERMANY				
PND CUR PR GERMAN DEUTSCHE MARK			\$ 2,916,716.00	\$ 2,951,540.00
HONG KONG				
PND CUR PR HONG KONG DOLLAR			\$ 12,739.84	\$ 12,738.20
ITALY				
PND CUR PR ITALIAN LIRE			\$ 223,902.20	\$ 222,141.50

LACERS

Description	Rate	Maturity	Book	Market
JAPAN				
PNDCUR PR JAPANESE YEN			\$ 53,228,235.00	\$ 52,842,229.00
MALAYSIA				
PNDCUR PR MALAYSIAN RINGGIT			\$ 126,675.20	\$ 126,593.90
THAILAND				
PNDCUR PR THAILAND BAHT			\$ 19,991.58	\$ 19,985.20
UNITED KINGDOM				
PNDCUR PR BRITISH POUND			\$ 26,292,895.00	\$ 26,192,561.00
UNITED STATES				
PNDCUR PR UNITED STATES DOLLAR			\$ 197,000,000.00	\$ 197,000,000.00

FORWARD CURRENCY SALES

AUSTRIA				
PNDCUR SL AUSTRIAN SHILLING			(\$ 451,396.00)	(\$ 453,079.00)
BELGIUM				
PNDCUR SL BELGIAN FRANC FINANCIAL			(\$ 8,903,928.00)	(\$ 8,861,286.00)
CANADA				
PNDCUR SL CANADIAN DOLLAR			(\$ 6,172,503.00)	(\$ 6,174,745.00)
DENMARK				
PNDCUR SL DANISH KRONE			(\$ 16,203,619.08)	(\$ 16,411,023.10)
FRANCE				
PNDCUR SL FRENCH FRANCS			(\$ 15,784,522.06)	(\$ 15,901,383.59)
GERMANY				
PNDCUR SL GERMAN DEUTSCHEMARK			(\$ 62,127,282.19)	(\$ 62,677,576.69)
HONG KONG				
PNDCUR SL HONG KONG DOLLAR			(\$ 14,458.30)	(\$ 14,462.00)
ITALY				
PNDCUR SL ITALIAN LIRE			(\$ 3,914.93)	(\$ 3,939.71)
JAPAN				
PNDCUR SL JAPANESE YEN			(\$ 3,914.93)	(\$ 3,939.71)
SPAIN				
PNDCUR SL SPANISH PESETA			(\$ 10,349,238.12)	(\$ 10,447,037.78)
SWITZERLAND				
PNDCUR SI SWISS FRANC			(\$ 422,015.00)	(\$ 419,404.00)
UNITED KINGDOM				
PNDCUR SL BRITISH POUND			(\$ 12,780,781.47)	(\$ 12,737,319.18)
UNITED STATES				
PNDCUR SL UNITED STATES DOLLAR			(\$ 94,912,610.37)	(\$ 94,912,610.37)

Description	Rate	Maturity	Book	Market
<u>PENDING PURCHASES</u>				
AUSTRALIA				
PND PURCH AUSTRALIAN DOLLAR			(\$ 4,071.00)	(\$ 4,021.09)
BRAZIL				
PND PURCH			(\$ 104,350.00)	(\$ 104,039.00)
FINLAND				
PND PURCH FINNISH MARKKA			(\$ 281,702.00)	(\$ 280,829.00)
FRANCE				
PND PURCH FRENCH FRANCS			(\$ 178,346.00)	(\$ 180,033.00)
GERMANY				
PND PURCH GERMAN DEUTSCHEMARK			(\$ 810,933.00)	(\$ 812,410.00)
HONG KONG				
PND PURCH HONG KONG DOLLAR			(\$ 32,201.80)	(\$ 32,202.30)
ITALY				
PND PURCH ITALIAN LIRE			(\$ 294,706.00)	(\$ 293,250.00)
MALAYSIA				
PND PURCH MALAYSIAN RINGGIT			(\$ 153,431.00)	(\$ 153,483.00)
SWITZERLAND				
PND PURCH SWISS FRANC			(\$ 670,090.00)	(\$ 668,345.00)
THAILAND				
PND PURCH THAILAND BAHT			(\$ 885,275.00)	(\$ 884,047.00)
UNITED KINGDOM				
PND PURCH BRITISH POUND			0.00	(\$ 18,365,124.57)
UNITED STATES				
PND PURCH UNITED STATES DOLLAR			(\$ 117,450.00)	(\$ 117,450.00)
<u>PENDING SALES</u>				
ARGENTINA				
PND SALES ARGENTINE AUSTRAL			\$ 100,159.90	\$ 100,179.90
AUSTRIA				
PND SALES AUSTRIAN SHILLING			\$ 450,349.30	\$ 453,079.10
FRANCE				
PND SALES FRENCH FRANCS			\$ 551,848.10	\$ 556,231.00
GERMANY				
PND SALES GERMAN DEUTSCHEMARK			\$ 962,558.90	\$ 969,548.10
ITALY				
PND SALES ITALIAN LIRE			\$ 6,306.06	\$ 6,301.03
UNITED KINGDOM				
PND SALES BRITISH POUND			\$ 5,486,555.00	\$ 5,435,161.00